
SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2018



SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11

SOMERTON, ARIZONA

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Issued by:
Financial Services Department

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11

TABLE OF CONTENTS

<u>INTRODUCTORY SECTION</u>	<u>Page</u>
Letter of Transmittal	1
ASBO Certificate of Excellence	5
GFOA Certificate of Achievement	6
Organizational Chart	7
List of Principal Officials	8
 <u>FINANCIAL SECTION</u>	
INDEPENDENT AUDITOR’S REPORT	11
MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A)	15
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements:	
Statement of Net Position	28
Statement of Activities	29
Fund Financial Statements:	
Balance Sheet – Governmental Funds	32
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position	35
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	36
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities	38
Statement of Assets and Liabilities – Fiduciary Funds	39
Notes to Financial Statements	40

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11

TABLE OF CONTENTS

<u>FINANCIAL SECTION</u>	<u>Page</u>
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Revenues Expenditures and Changes in Fund Balances – Budget and Actual:	
General Fund	64
Pension Schedules	65
OPEB Schedules	66
Notes to Required Supplementary Information	68
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES	
Governmental Funds:	
Combining Balance Sheet – All Non-Major Governmental Funds – By Fund Type	72
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – All Non-Major Governmental Funds – By Fund Type	73
Special Revenue Funds:	
Combining Balance Sheet	76
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	82
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual	88
Capital Projects Funds:	
Combining Balance Sheet	109
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	110
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual	112

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11

TABLE OF CONTENTS

<u>FINANCIAL SECTION</u>	<u>Page</u>
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES	
Agency Funds:	
Combining Statement of Assets and Liabilities	118
Combining Statement of Changes in Assets and Liabilities	119
 <u>STATISTICAL SECTION</u>	
Financial Trends:	
Net Position by Component	123
Expenses, Program Revenues, and Net Expense	124
General Revenues and Total Changes in Net Position	126
Fund Balances – Governmental Funds	128
Governmental Funds Revenues	130
Governmental Funds Expenditures and Debt Service Ratio	132
Other Financing Sources and Uses and Net Changes in Fund Balances – Governmental Funds	134
Revenue Capacity:	
Net Limited Assessed Value and Full Cash Value of Taxable Property by Class	135
Net Full Cash Assessed Value of Taxable Property by Class	136
Property Tax Assessment Ratios	137
Direct and Overlapping Property Tax Rates	138
Principal Property Taxpayers	139
Property Tax Levies and Collections	140

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11

TABLE OF CONTENTS

<u>STATISTICAL SECTION</u>	<u>Page</u>
Debt Capacity:	
Outstanding Debt by Type	141
Direct and Overlapping Governmental Activities Debt	142
Direct and Overlapping General Bonded Debt Ratios	142
Legal Debt Margin Information	143
Demographic and Economic Information:	
County-Wide Demographic and Economic Statistics	144
Principal Employers	145
Operating Information:	
Full-Time Equivalent District Employees by Type	146
Operating Statistics	148
Capital Assets Information	149

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INTRODUCTORY SECTION

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Somerton School District No.11

“Children, Our Priority-Personal Best, Our Goal”

343 N. Carlisle Avenue • P.O. Box 3200 • Somerton, AZ. 85350-3200

Phone (928) 341-6000 • Fax (928) 341-6090

www.ssd11.org

December 21, 2018

Citizens and Governing Board
Somerton Elementary School District No. 11
343 N. Carlisle Avenue
Somerton, AZ 85350

State law mandates that school districts required to undergo an annual single audit publish a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America and audited in accordance with auditing standards generally accepted in the United States by a certified public accounting firm licensed in the State of Arizona. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Somerton Elementary School District No. 11 (District) for the fiscal year ended June 30, 2018.

This report consists of management’s representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the District’s assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District’s financial statements in conformity with accounting principles generally accepted in the United States of America. Because the cost of internal controls should not outweigh their benefits, the District’s comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free of material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The District’s financial statements have been audited by Heinfeld, Meech & Co., P.C., a certified public accounting firm. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2018, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District’s financial statements for the fiscal year ended June 30, 2018, are fairly presented in conformity with accounting principles generally accepted in the United States of America. The independent auditor’s report is presented as the first component of the financial section of this report.

Administration: *Laura Noel, Ed.D, Superintendent*

Governing Board: *Araceli Juarez, President • Lorena Zendejas, Clerk • Carlos Gonzalez • Juan Castillo • Leticia Yepez*

The independent audit of the financial statements of the District was part of a broader, federally mandated Single Audit as required by the provisions of the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the District's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in a separately issued Single Audit Reporting Package.

Accounting principles generally accepted in the United States of America require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE DISTRICT

The District is one of ten public school districts located in Yuma County, Arizona. It provides a program of public education from kindergarten through grade eight with an estimated average daily membership of 2,814 as of June 30, 2018. The projected enrollment for fiscal year 2018-19 is 3,120. Somerton School District houses 5 elementary schools: Desert Sonora Elementary built in 1999, Orange Grove Elementary built in 1986, Somerton Middle School built in 1991, Tierra Del Sol built in 1999, and Valle Del Encanto Early Learning Center built in 2006.

The District's Governing Board is organized under Section 15-321 of the Arizona Revised Statutes (A.R.S.). Management of the District is independent of other state or local governments. The County Treasurer collects taxes for the District, but exercises no control over its expenditures/expenses.

The membership of the Governing Board consists of five members elected by the public. Under existing statutes, the Governing Board's duties and powers include, but are not limited to, the acquisition, maintenance and disposition of school property; the development and adoption of a school program; and the establishment, organization and operation of schools. The Board also has broad financial responsibilities, including the approval of the annual budget, and the establishment of a system of accounting and budgetary controls.

The financial reporting entity consists of a primary government and its component units. A component unit is a legally separate entity that must be included in the reporting entity in conformity with generally accepted accounting principles. The District is a primary government because it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. Furthermore, there are no component units combined with the District for financial statement presentation purposes, and the District is not included in any other governmental reporting entity. Consequently, the District's financial statements include only the funds of those organizational entities for which its elected governing board is financially accountable. The District's major operations include education, student transportation, construction and maintenance of District facilities, and food services.

The annual expenditure budget serves as the foundation for the District's financial planning and control. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual expenditure budget approved by the District's Governing Board.

The expenditure budget is prepared by fund for all Governmental Funds, and includes function and object code detail for the General Fund and some Special Revenue and Capital Projects Funds. The legal level of budgetary control (that is, the level at which expenditures cannot exceed the appropriated amount) is established at the individual fund level for all funds. Funds that are not required to legally adopt a budget may have over expenditures of budgeted funds. The budget for these funds is simply an estimate and does not prevent the District from exceeding the budget as long as the necessary revenue is earned. The District is not required to prepare an annual budget of revenue; therefore, a deficit budgeted fund balance may be presented. However, this does not affect the District's ability to expend monies.

FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the District operates.

Local Economy. Yuma's largest industry is agriculture, while secondary are retail, wholesale, finance, and insurance. In addition, the Marine Corps Air Station and the Army base located at the Yuma Proving Grounds are the major governmental entities. Yuma Proving Ground economic impact is figured at \$424.0 million while the impact of MCAS is placed at \$334.0 million. That's an impact that likely is increasing as the conflicts in Iran, Iraq, Afghanistan, and Syria carry on and the need for testing of equipment and training of people continues.

The District continues to be based in a primary agricultural community, centered in the City of Somerton. The 2015 population for City of Somerton is 20,567, up from the 2010 base of 14,287. The District; however, continues to lag behind the City of Yuma and Yuma County for income and employment comparisons. The District's average household income slowly increased during this decade. The average median household income is at \$41,467. On a most recent study, Yuma County poverty rate decreased from 26.9 percent in 2013 to 19.6 percent in 2017. About 19 percent of the population is below the poverty line, including 26 percent under age of 18.

Annual unemployment rates remain comparatively high despite wage increases. In June 2018 the average unemployment rate was at 19.2 percent compared to 32.6 percent through August 2013.

Long-term Financial Planning. Despite the recessionary conditions, housing developments within the District are still committed. There is a dramatic influence from the City of San Luis east developments set near the new port of entrance zoned for 2,249 dwellings in coincidence with the City of Somerton. This dramatic increase coincides with Housing America's efforts to provide low-income housing in an excess of 150 dwellings. This major factor will impact the District in the next decade into which new housing developments will be the major factor-affecting enrollment. The new port of entry will drive more taxable dollars to the District.

The economic downturn and recession pressures and excess dwelling inventory caused by foreclosures have almost dissipated. Income-to-home price ratios have started to stabilize and infrastructure expansion are in the future growth at an average of 7.27 percent given the market factors, which is lower than the Arizona average at 8 percent.

On another note, the presence of migratory workers provides a stabilization factor for the District. As migratory workers pass through for seasonal employment, a portion of substantial students entering and exiting the District remains through the course of instruction.

Major Initiatives. The District passed a Capital Override to combat the current and future enrollment growth. The override assisted in adding square feet to Valle Del Encanto Learning Center, Tierra Del Sol Elementary, and a Media Center to Orange Grove Elementary. Moreover, this will assist in adding technology into the elementary classrooms as well.

AWARDS AND ACKNOWLEDGMENT

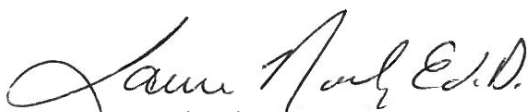
Awards. The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2017. This was the twentieth year that the District has received this prestigious award. In addition, the Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2017. In order to be awarded these certificates, the District published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

These certificates are valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the programs' requirements and we are submitting it to ASBO and GFOA to determine its eligibility for the fiscal year ended June 30, 2018 certificates.

Acknowledgments. The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the financial services department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

In closing, without the leadership and support of the Governing Board of the District, preparation of this report would not have been possible.

Respectfully submitted,


Laura Noel, Ed.D.
Superintendent


Melissa Porchas
Business Manager



**The Certificate of Excellence in Financial Reporting
is presented to**

Somerton Elementary School District No. 11

**for its Comprehensive Annual Financial Report (CAFR)
for the fiscal year ended June 30, 2017.**

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards.



A handwritten signature in black ink, reading 'Charles E. Peterson, Jr.', written over a horizontal line.

Charles E. Peterson, Jr., SFO, RSBA, MBA
President

A handwritten signature in black ink, reading 'John D. Musso', written over a horizontal line.

John D. Musso, CAE
Executive Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Somerton Elementary School
District No. 11, Arizona**

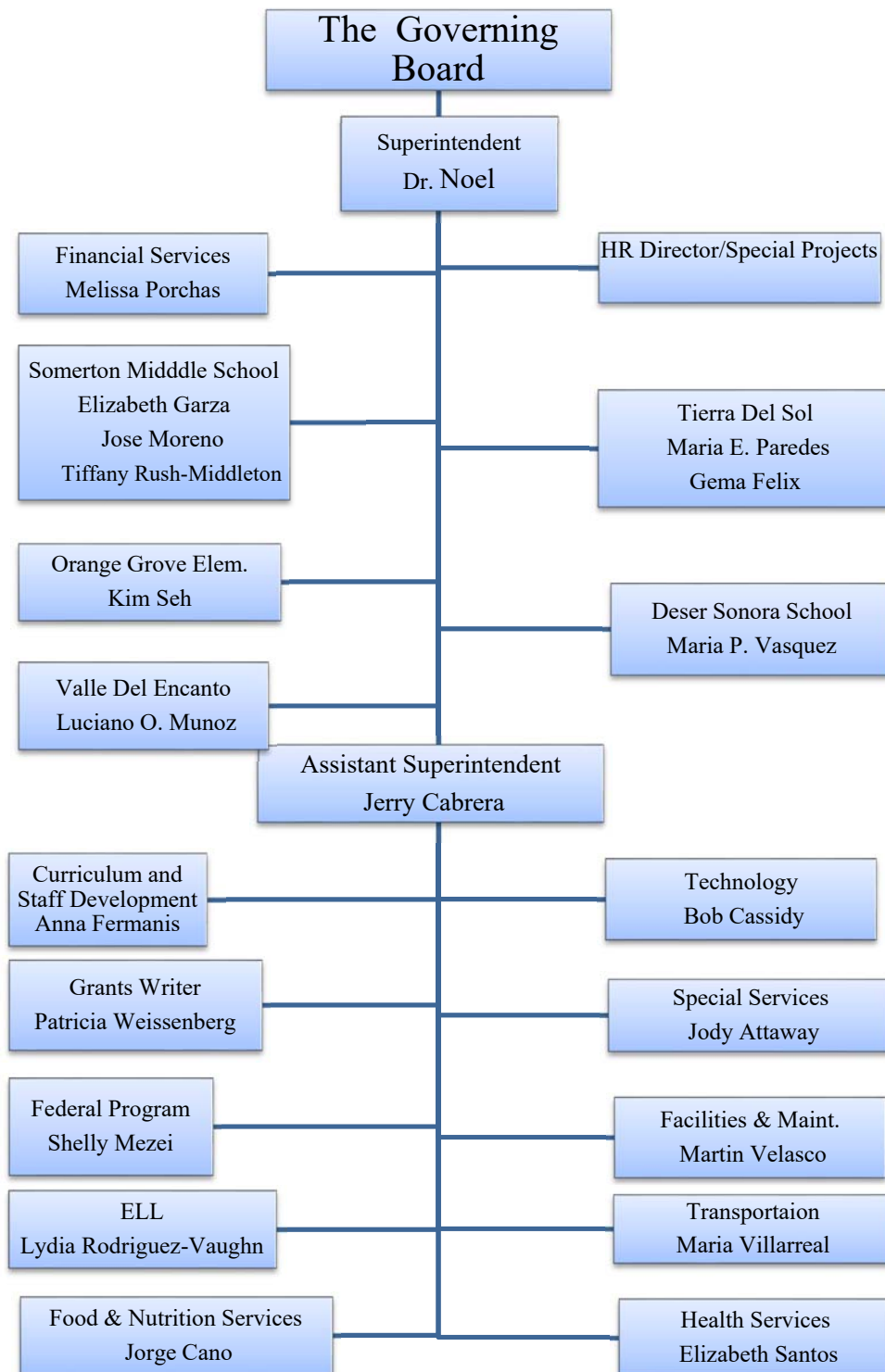
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morill

Executive Director/CEO

SOMERTON SCHOOL DISTRICT ORGANIZATIONAL CHART FY 17-18



SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11

LIST OF PRINCIPAL OFFICIALS

GOVERNING BOARD

Araceli Juarez, President

Lorena Zendejas, Clerk

Carlos Gonzalez, Member

Juan Castillo, Member

Leticia Yopez, Member

ADMINISTRATIVE STAFF

Laura Noel, Ed.D., Superintendent

Gerardo Cabrera, Assistant Superintendent

Melissa Porchas, Business Manager

FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Governing Board
Somerton Elementary School District No. 11

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Somerton Elementary School District No. 11 (District), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Somerton Elementary School District No. 11, as of June 30, 2018, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note 1, the District implemented the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, for the year ended June 30, 2018, which represents a change in accounting principle. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information, and net pension liability information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Introductory Section, Combining and Individual Fund Financial Statements and Schedules, and Statistical Section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Combining and Individual Fund Financial Statements and Schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Combining and Individual Fund Financial Statements and Schedules information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The Introductory Section and Statistical Section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2018, on our consideration of Somerton Elementary School District No. 11's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Somerton Elementary School District No. 11's internal control over financial reporting and compliance.

Heinfeld, Meech & Co., P.C.

Heinfeld, Meech & Co., P.C.
Phoenix, Arizona
December 21, 2018

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
(Required Supplementary Information)

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**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

As management of the Somerton Elementary School District No. 11 (District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2018. The management's discussion and analysis is presented as required supplementary information to supplement the basic financial statements. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

FINANCIAL HIGHLIGHTS

- The District's total net position of governmental activities increased \$1.1 million which represents a nine percent increase from the prior fiscal year due to a decrease in deferred inflows resulting from pension activity.
- General revenues accounted for \$17.9 million in revenue, or 74 percent of all current fiscal year revenues. Program specific revenue in the form of charges for services and grants and contributions accounted for \$6.1 million or 26 percent of total current fiscal year revenues.
- The District had approximately \$22.9 million in expenses related to governmental activities, an increase of five percent from the prior fiscal year due to completion of projects.
- Among major funds, the General Fund had \$15.0 million current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$14.8 million in expenditures. The General Fund's fund balance increase from \$1.2 million at the prior fiscal year end to \$1.4 million at the end of the current fiscal year was primarily due to an increase in property tax revenue.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. The accrual basis of accounting is used for the government-wide financial statements.

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

OVERVIEW OF FINANCIAL STATEMENTS

The statement of net position presents information on all of the District's assets, liabilities, and deferred inflows/outflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

The government-wide financial statements outline functions of the District that are principally supported by property taxes and intergovernmental revenues. The governmental activities of the District include instruction, support services, operation and maintenance of plant services, student transportation services, operation of non-instructional services, and interest on long-term debt}.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements use the modified accrual basis of accounting and focus on near-term inflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

OVERVIEW OF FINANCIAL STATEMENTS

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General and Unrestricted Capital Outlay Funds, both of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements and schedules.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. Due to their custodial nature, the fiduciary funds do not have a measurement focus.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the basic financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's budget process and pension plan. The District adopts an annual expenditure budget for all governmental funds. A schedule of revenues, expenditures and changes in fund balances – budget and actual has been provided for the General Fund as required supplementary information. Schedules for the pension and other postemployment benefit plans have been provided as required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows exceeded liabilities and deferred inflows by \$12.3 million at the current fiscal year end.

The largest portion of the District's net position reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, vehicles, furniture and equipment and construction in progress), less any related outstanding debt used to acquire those assets. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related outstanding debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. In addition, a portion of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance is unrestricted and may be used to meet the District's ongoing obligations to its citizens and creditors.

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following table presents a summary of the District's net position for the fiscal years ended June 30, 2018 and June 30, 2017.

	As of June 30, 2018	As of June 30, 2017
Current and other assets	\$ 5,134,075	\$ 4,909,253
Capital assets, net	32,290,115	31,617,422
Total assets	<u>37,424,190</u>	<u>36,526,675</u>
Deferred outflows	<u>2,925,176</u>	<u>3,629,039</u>
Current liabilities	2,770,864	2,131,397
Long-term liabilities	24,033,791	24,357,730
Total liabilities	<u>26,804,655</u>	<u>26,489,127</u>
Deferred inflows	<u>1,269,528</u>	<u>2,458,558</u>
Net position:		
Net investment in capital assets	28,289,039	27,331,950
Restricted	799,662	1,411,932
Unrestricted	(16,813,518)	(17,535,853)
Total net position	<u>\$ 12,275,183</u>	<u>\$ 11,208,029</u>

At the end of the current fiscal year the District reported a negative unrestricted net position of \$17.0 million as a result of an unfunded pension liability. Positive net position was reported in the other two categories. The same situation held true for the prior year.

The District's financial position is the product of several financial transactions including the net result of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets. The following are significant current year transactions that had an impact on the Statement of Net Position.

- The addition of \$2.2 million in capital assets primarily due to building remediations and the addition of classrooms at the Valle del Encanto Learning Center.
- Accumulated depreciation increased \$1.4 million.
- The principal retirement of \$376,791 of capital lease obligations.

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

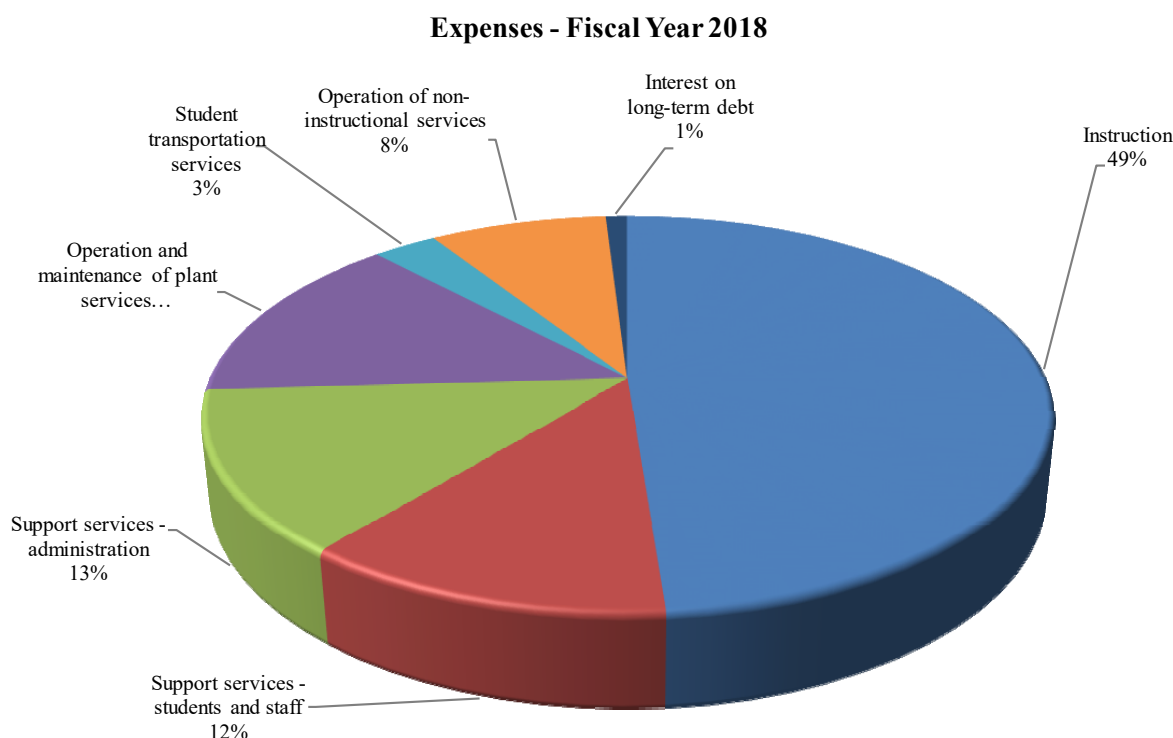
GOVERNMENT-WIDE FINANCIAL ANALYSIS

Changes in net position. The District's total revenues for the current fiscal year were \$24.0 million. The total cost of all programs and services was \$22.9 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2018 and June 30, 2017.

	Fiscal Year Ended June 30, 2018	Fiscal Year Ended June 30, 2017
Revenues:		
Program revenues:		
Charges for services	\$ 275,619	\$ 282,858
Operating grants and contributions	5,682,417	5,580,612
Capital grants and contributions	178,658	112,647
General revenues:		
Property taxes	2,511,860	1,906,399
Investment income	12,250	6,916
Unrestricted county aid	531,172	535,916
Unrestricted state aid	14,681,613	14,279,936
Unrestricted federal aid	130,901	130,300
Total revenues	<u>24,004,490</u>	<u>22,835,584</u>
Expenses:		
Instruction	11,191,005	10,405,754
Support services – students and staff	2,766,600	2,800,356
Support services – administration	3,035,116	2,925,715
Operation and maintenance of plant services	3,204,051	2,837,308
Student transportation services	668,428	600,158
Operation of non-instructional services	1,854,697	1,987,900
Interest on long-term debt	220,614	198,590
Total expenses	<u>22,940,511</u>	<u>21,755,781</u>
Changes in net position	1,063,979	1,079,803
Net position, beginning, as restated	11,211,204	10,128,226
Net position, ending	<u>\$ 12,275,183</u>	<u>\$ 11,208,029</u>

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

GOVERNMENT-WIDE FINANCIAL ANALYSIS



The following are significant current year transactions that have had an impact on the change in net position.

- The increase in property tax revenues of \$605,461 was due to additional property taxes levied as a result of an increase in the assessed value of property within the District and an increased tax rate.
- Instruction expenses increased \$785,251 primarily due to staff salary and benefit increases.
- Operation and maintenance of plant services expenses increased \$366,743 primarily due to a District-wide network (WAN) project.

The following table presents the cost of the District's major functional activities. The table also shows each function's net cost (total cost less charges for services generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden that was placed on the State and District's taxpayers by each of these functions.

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

	Year Ended June 30, 2018		Year Ended June 30, 2017	
	Total	Net (Expense)/	Total	Net (Expense)/
	Expenses	Revenue	Expenses	Revenue
Instruction	\$ 11,191,005	\$ (9,590,900)	\$ 10,405,754	\$ (8,876,838)
Support services - students and staff	2,766,600	(1,241,172)	2,800,356	(1,377,275)
Support services - administration	3,035,116	(2,695,894)	2,925,715	(2,563,085)
Operation and maintenance of plant services	3,204,051	(2,735,883)	2,837,308	(2,487,214)
Student transportation services	668,428	(657,252)	600,158	(586,268)
Operation of non-instructional services	1,854,697	148,263	1,987,900	150,922
Interest on long-term debt	220,614	(30,979)	198,590	(39,906)
Total	<u>\$ 22,940,511</u>	<u>\$ (16,803,817)</u>	<u>\$ 21,755,781</u>	<u>\$ (15,779,664)</u>

- The cost of all governmental activities this year was \$22.9 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$6.1 million.
- Net cost of governmental activities of \$16.8 million was financed by general revenues, which are made up of primarily property taxes of \$2.5 million and state and county aid of \$15.2 million.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of \$2.0 million, a decrease of \$700,935.

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

FINANCIAL ANALYSIS OF THE DISTRICT’S FUNDS

The General Fund comprises 73 percent of the total fund balance. Approximately \$1.4 million, or 100 percent of the General Fund’s fund balance is unassigned.

The General Fund is the principal operating fund of the District. The increase in fund balance of \$233,685 to \$1.4 million as of fiscal year end was a result of an increase in state equalization funding due to an increase in average daily membership, as well as an increase in property tax revenues due to an increase in the primary tax levy.

The Unrestricted Capital Outlay Fund’s fund balance decreased \$705,174 to a deficit of \$167,432 at fiscal year as a result of capital projects undertaken during the fiscal year.

BUDGETARY HIGHLIGHTS

Over the course of the year, the District revised the General Fund annual expenditure budget for changes in average daily membership. The difference between the original budget and the final amended budget was a \$294,983 increase, or two percent.

Significant variances for the final amended budget and actual revenues resulted from the District not being required by the State of Arizona to prepare a revenue budget. A schedule showing the original and final budget amounts compared to the District’s actual financial activity for the General Fund is provided in this report as required supplementary information. The significant variances are summarized as follows:

- The favorable variance of \$498,673 in instruction was a result of certified positions being filled by long-term substitutes.
- The favorable variance of \$82,930 in support services – students and staff was a result of open support staff positions unable to fill throughout the year.

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. At year end, the District had invested \$49.8 million in capital assets, including school buildings, athletic facilities, buses and other vehicles, computers, and other equipment. This amount represents a net increase prior to depreciation of \$2.1 million from the prior fiscal year, primarily due to the remediation of school buildings and addition of classroom to school sites. Total depreciation expense for the current fiscal year was \$1.5 million.

The following schedule presents a summary of capital asset balances for the fiscal years ended June 30, 2018 and June 30, 2017.

	As of June 30, 2018	As of June 30, 2017
Capital assets - non-depreciable	\$ 2,459,355	\$ 2,031,785
Capital assets - depreciable, net	29,830,760	29,585,637
Total	<u>\$ 32,290,115</u>	<u>\$ 31,617,422</u>

The estimated cost to complete current construction projects is \$1.1 million.

Additional information on the District's capital assets can be found in Note 6.

Debt Administration. At year end, the District had \$4.0 million in long-term debt outstanding, \$379,094 due within one year. Long-term debt decreased by \$376,791.

The District's general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds (up to 15 percent of the total net full cash assessed valuation) and the statutory debt limit on Class B bonds (the greater of 10 percent of the net full cash assessed valuation or \$1,500 per student). The current total debt limitation for the District is \$10.1 million and the Class B debt limit is \$6.7 million. At fiscal year end, the District had no outstanding general obligation debt.

Additional information on the District's long-term debt can be found in Notes 7 and 8.

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Many factors were considered by the District's administration during the process of developing the fiscal year 2018-19 budget. Among them:

- Fiscal year 2017-18 budget balance carry forward (estimated \$690,889).
- District unweighted student counts of 2,823.

Also considered in the development of the budget is the local economy and inflation of the surrounding area.

Budgeted expenditures in the General Fund increased six percent to \$16.1 million in fiscal year 2018-19. Increased payroll and employee benefit costs is the primary reason for the increase. State aid and property taxes are expected to be the primary funding sources. No new programs were added to the 2018-19 budget.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Business and Finance Department, Somerton Elementary School District No. 11, 343 North Carlisle Avenue, Somerton, Arizona 85350.

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
STATEMENT OF NET POSITION
JUNE 30, 2018

	Governmental Activities
<u>ASSETS</u>	
Current assets:	
Cash and investments	\$ 215
Property taxes receivable	218,718
Accounts receivable	26,912
Due from governmental entities	4,803,437
Total current assets	<u>5,049,282</u>
Noncurrent assets:	
Cash and investments - restricted	16,563
Net other postemployment benefit assets	68,230
Capital assets not being depreciated	2,459,355
Capital assets, net of accumulated depreciation	29,830,760
Total noncurrent assets	<u>32,374,908</u>
Total assets	<u><u>37,424,190</u></u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Pension and other postemployment benefit plan items	<u>2,925,176</u>
<u>LIABILITIES</u>	
Current liabilities:	
Due to county	2,576,468
Accounts payable	150,529
Compensated absences payable	230,140
Unearned revenues	43,867
Obligations under capital leases	379,094
Total current liabilities	<u>3,380,098</u>
Noncurrent liabilities:	
Non-current portion of long-term obligations	23,424,557
Total noncurrent liabilities	<u>23,424,557</u>
Total liabilities	<u><u>26,804,655</u></u>
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Pension and other postemployment benefit plan items	<u>1,269,528</u>
<u>NET POSITION</u>	
Net investment in capital assets	28,289,039
Restricted for:	
Voter approved initiatives	435,266
Food service	186,733
Civic center	28,191
Extracurricular activities	39,111
Gifts and donations	58,112
Other local initiatives	46,086
Capital outlay	6,163
Unrestricted	(16,813,518)
Total net position	<u><u>\$ 12,275,183</u></u>

The notes to the basic financial statements are an integral part of this statement.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2018

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					Governmental Activities
Instruction	\$ 11,191,005	\$ 164,118	\$ 1,333,812	\$ 102,175	\$ (9,590,900)
Support services - students and staff	2,766,600	53,613	1,471,815		(1,241,172)
Support services - administration	3,035,116		339,222		(2,695,894)
Operation and maintenance of plant services	3,204,051	1,773	389,912	76,483	(2,735,883)
Student transportation services	668,428		11,176		(657,252)
Operation of non-instructional services	1,854,697	56,115	1,946,845		148,263
Interest on long-term debt	220,614		189,635		(30,979)
Total governmental activities	<u>\$ 22,940,511</u>	<u>\$ 275,619</u>	<u>\$ 5,682,417</u>	<u>\$ 178,658</u>	<u>(16,803,817)</u>

General revenues:

Taxes:

Property taxes, levied for general purposes	1,176,216
Property taxes, levied for capital outlay	1,335,644
Investment income	12,250
Unrestricted county aid	531,172
Unrestricted state aid	14,681,613
Unrestricted federal aid	130,901
Total general revenues	<u>17,867,796</u>

Changes in net position

1,063,979

Net position, beginning of year, as restated

11,211,204

Net position, end of year

\$ 12,275,183

The notes to the basic financial statements are an integral part of this statement.

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FUND FINANCIAL STATEMENTS

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2018

	General	Unrestricted Capital Outlay	Non-Major Governmental Funds
<u>ASSETS</u>			
Cash and investments	\$	\$	\$ 215
Property taxes receivable	97,260	121,458	
Accounts receivable	4,500		22,412
Due from governmental entities	4,125,990	51,197	626,250
Due from other funds			663,010
Cash and investments - restricted			16,563
Total assets	<u><u>\$ 4,227,750</u></u>	<u><u>\$ 172,655</u></u>	<u><u>\$ 1,328,450</u></u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Due to county	\$ 2,576,468	\$	\$ 48,207
Accounts payable	102,322		391,563
Due to other funds	32,123	239,324	43,867
Unearned revenues			483,637
Total liabilities	<u>2,710,913</u>	<u>239,324</u>	<u>816,440</u>
Deferred inflows of resources:			
Unavailable revenues - property taxes	78,079	100,763	
Unavailable revenues - intergovernmental			157,142
Total deferred inflows of resources	<u>78,079</u>	<u>100,763</u>	<u>157,142</u>
Fund balances (deficits):			
Restricted			816,440
Unassigned	1,438,758	(167,432)	(128,769)
Total fund balances	<u>1,438,758</u>	<u>(167,432)</u>	<u>687,671</u>
Total liabilities, deferred inflows of resources and fund balances	<u><u>\$ 4,227,750</u></u>	<u><u>\$ 172,655</u></u>	<u><u>\$ 1,328,450</u></u>

The notes to the basic financial statements are an integral part of this statement.

Total
Governmental
Funds

\$ 215
218,718
26,912
4,803,437
663,010
16,563

\$ 5,728,855

\$ 2,576,468
150,529
663,010
43,867

3,433,874

178,842
157,142

335,984

816,440
1,142,557

1,958,997

\$ 5,728,855

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SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2018

Total governmental fund balances	\$	1,958,997
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Amounts reported for *governmental activities* in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Governmental capital assets	\$ 49,765,100	
Less accumulated depreciation	<u>(17,474,985)</u>	32,290,115

Some receivables are not available to pay for current period expenditures and, therefore, are reported as unavailable revenues in the funds.

Property taxes	178,842	
Intergovernmental	<u>157,142</u>	335,984

Deferred outflows and inflows of resources related to pensions/OPEB are applicable to future periods and, therefore, are not reported in the funds.

Deferred outflows of resources related to pensions/OPEB	2,925,176	
Deferred inflows of resources related to pensions/OPEB	<u>(1,269,528)</u>	1,655,648

The Net OPEB asset is not a current financial resource and, therefore, is not reported in the funds.	68,230
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Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Compensated absences payable	(250,152)	
Obligations under capital leases	(4,017,854)	
Net OPEB liability	(45,531)	
Net pension liability	<u>(19,720,254)</u>	<u>(24,033,791)</u>

Net position of governmental activities	\$	<u>12,275,183</u>
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The notes to the basic financial statements are an integral part of this statement.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2018

	General	Unrestricted Capital Outlay	Non-Major Governmental Funds
Revenues:			
Other local	\$ 604,067	\$ 11,852	\$ 275,311
Property taxes	1,149,815	1,301,127	
State aid and grants	13,152,214	161,753	1,626,403
Federal aid, grants and reimbursements	130,901	85,099	5,267,453
Total revenues	<u>15,036,997</u>	<u>1,559,831</u>	<u>7,169,167</u>
Expenditures:			
Current -			
Instruction	7,822,389		2,628,854
Support services - students and staff	1,342,877		1,493,807
Support services - administration	2,687,448		334,959
Operation and maintenance of plant services	2,397,026		426,046
Student transportation services	475,935		32,870
Operation of non-instructional services	31,571		1,798,568
Capital outlay		2,044,906	372,704
Debt service -			
Principal retirement		135,000	241,791
Interest and fiscal charges		85,099	135,515
Total expenditures	<u>14,757,246</u>	<u>2,265,005</u>	<u>7,465,114</u>
Excess (deficiency) of revenues over expenditures	<u>279,751</u>	<u>(705,174)</u>	<u>(295,947)</u>
Other financing sources (uses):			
Transfer in	207,519		274,020
Transfer out	(274,020)		(207,519)
Insurance Recoveries	20,435		
Total other financing sources (uses)	<u>(46,066)</u>		<u>66,501</u>
Changes in fund balances	<u>233,685</u>	<u>(705,174)</u>	<u>(229,446)</u>
Fund balances, beginning of year	1,205,073	537,742	917,117
Fund balances, end of year	<u>\$ 1,438,758</u>	<u>\$ (167,432)</u>	<u>\$ 687,671</u>

The notes to the basic financial statements are an integral part of this statement.

Total Governmental Funds
\$ 891,230
2,450,942
14,940,370
5,483,453
<u>23,765,995</u>

10,451,243
2,836,684
3,022,407
2,823,072
508,805
1,830,139
2,417,610
376,791
220,614
<u>24,487,365</u>

(721,370)

481,539
(481,539)
20,435
<u>20,435</u>

(700,935)

2,659,932

\$ 1,958,997

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2018

Changes in fund balances - total governmental funds **\$ (700,935)**

Amounts reported for *governmental activities* in the Statement of Activities are different because:

Governmental funds report the portion of capital outlay for capitalized assets as expenditures.

However, in the Statement of Activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense.

Expenditures for capitalized assets	\$ 2,222,569	
Less current year depreciation	<u>(1,544,779)</u>	677,790

Some revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Property taxes	60,918	
Intergovernmental	<u>157,142</u>	218,060

Repayments of capital lease principal retirement are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

376,791

Governmental funds report pension/OPEB contributions as expenditures. However, they are reported as deferred outflows of resources in the Statement of Net Position. The change in the net pension/OPEB liability, adjusted for deferred items, is reported as pension/OPEB expense in the Statement of Activities.

Current year pension/OPEB contributions	1,442,336	
Pension/OPEB expense	<u>(904,538)</u>	537,798

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Loss on disposal of assets	(5,097)	
Compensated absences	<u>(40,428)</u>	<u>(45,525)</u>

Changes in net position in governmental activities **\$ 1,063,979**

The notes to the basic financial statements are an integral part of this statement.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUNDS
JUNE 30, 2018

	<u>Agency</u>
<u>ASSETS</u>	
Cash and investments	\$ 409,561
Total assets	<u>\$ 409,561</u>
<u>LIABILITIES</u>	
Deposits held for others	\$ 335,976
Due to student groups	73,585
Total liabilities	<u>\$ 409,561</u>

The notes to the basic financial statements are an integral part of this statement.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Somerton Elementary School District No. 11 (District) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

During the year ended June 30, 2018, the District implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This Statement requires governments providing defined benefit postemployment benefits other than pensions to recognize the long-term obligation for those benefits as a liability, and to more comprehensively and comparably measure the annual costs of those benefits. This Statement also enhances accountability and transparency through revised note disclosures and new required supplementary information. The more significant of the District's accounting policies are described below.

A. Reporting Entity

The Governing Board is organized under Section 15-321 of the Arizona Revised Statutes (A.R.S.). Management of the District is independent of other state or local governments. The County Treasurer collects taxes for the District, but exercises no control over its expenditures/expenses.

The membership of the Governing Board consists of five members elected by the public. Under existing statutes, the Governing Board's duties and powers include, but are not limited to, the acquisition, maintenance and disposition of school property; the development and adoption of a school program; and the establishment, organization and operation of schools.

The Board also has broad financial responsibilities, including the approval of the annual budget, and the establishment of a system of accounting and budgetary controls.

The financial reporting entity consists of a primary government and its component units. A component unit is a legally separate entity that must be included in the reporting entity in conformity with generally accepted accounting principles. The District is a primary government because it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. Furthermore, there are no component units combined with the District for financial statement presentation purposes, and the District is not included in any other governmental reporting entity. Consequently, the District's financial statements include only the funds of those organizational entities for which its elected governing board is financially accountable. The District's major operations include education, student transportation, construction and maintenance of District facilities, and food services.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) present financial information about the District as a whole. The reported information includes all of the nonfiduciary activities of the District. For the most part, the effect of internal activity has been removed from these statements. These statements are to distinguish between the governmental and business-type activities of the District. Governmental activities normally are supported by taxes and intergovernmental revenues, and are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The District does not have any business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes, unrestricted federal, state and county aid, and other items not included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Financial Statements – The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the grantor or provider have been met. As a general rule, the effect of internal activity has been eliminated from the government-wide financial statements; however, the effects of interfund services provided and used between functions are reported as expenses and program revenues at amounts approximating their external exchange value.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fund Financial Statements – Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. As permitted by generally accepted accounting principles the District applies the “early recognition” option for debt service payments. Property tax resources are provided in the Debt Service Fund during the current year for the payment of debt service principal and interest due early in the following year (less than one month). Therefore, the expenditures and related liabilities have been recognized in the current period.

Property taxes, federal, state and county aid, tuition and investment income associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Food services and miscellaneous revenues are not susceptible to accrual because generally they are not measurable until received in cash. Grants and similar awards are recognized as revenue as soon as all eligibility requirements imposed by the grantor or provider have been met. Unearned revenues arise when resources are received by the District before it has legal claim to them, as when grant monies are received prior to meeting all eligibility requirements imposed by the provider.

Delinquent property taxes and other receivables that will not be collected within the available period have been reported as unavailable revenues on the governmental fund financial statements.

The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The District reports the following major governmental funds:

General Fund – The General Fund is the District’s primary operating fund. It accounts for all resources used to finance District maintenance and operation except those required to be accounted for in other funds. The General Fund includes the District's Maintenance and Operations Fund as well as certain activities budgeted in separate funds in accordance with A.R.S. These funds are maintained as separate funds for budgetary purposes but do not meet the criteria for separate reporting in the financial statements.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Unrestricted Capital Outlay Fund – The Unrestricted Capital Outlay Fund accounts for transactions relating to the acquisition of capital items.

Additionally, the District reports the following fund type:

Fiduciary Funds – The Fiduciary Funds are Agency Funds which account for resources held by the District on behalf of others. This fund type includes the Student Activities Fund, which accounts for monies raised by students to finance student clubs and organizations held by the District as an agent. In addition, funds that account for direct deposit employee withholdings before the monies are remitted to the appropriate entities are included in the Agency Funds.

The agency funds are custodial in nature and do not have a measurement focus and are reported on the accrual basis of accounting. The agency funds are reported by fund type.

D. Cash and Investments

A.R.S. require the District to deposit all cash with the County Treasurer, except as discussed below. Cash with the County Treasurer is pooled for investment purposes, except for cash of the Debt Service and Bond Building Funds that may be invested separately. Interest earned from investments purchased with pooled monies is allocated to each of the District's funds based on their average balances. As required by statute, interest earnings of the Bond Building Fund are recorded initially in that fund, but then transferred to the Debt Service Fund. All investments are stated at fair value.

Statute authorizes the District to separately invest monies of the Bond Building and Debt Service Funds in the State Treasurer's investment pools; obligations issued and guaranteed by the United States or any of its agencies of instrumentalities; specified state and local government bonds and notes; and interest bearing savings accounts or certificates of deposit.

Statute authorizes the District to deposit monies of the Auxiliary Operations and Student Activities Funds in bank accounts. Monies in these funds may also be invested. In addition, statute authorizes the District to maintain various bank accounts such as clearing accounts to temporarily deposit receipts before they are transmitted to the County Treasurer; revolving accounts to pay minor disbursements; and withholdings accounts for taxes and employee insurance programs. Some of these bank accounts may be interest bearing.

Statute does not include any requirements for credit risk, concentration of credit risk, interest rate risk, or foreign currency risk. Statute requires collateral for deposits of Bond Building and Debt Service Funds monies in interest bearing savings accounts and certificates of deposit at 101 percent of all deposits not covered by federal depository insurance.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Arizona statute requires a pooled collateral program for public deposits and a Statewide Collateral Pool Administrator (Administrator) in the State Treasurer's Office. The purpose of the pooled collateral program is to ensure that governmental entities' public deposits placed in participating depositories are secured with collateral of 102 percent of the public deposits, less any applicable deposit insurance. An eligible depository may not retain or accept any public deposit unless it has deposited the required collateral with a qualified escrow agent or the Administrator. The Administrator manages the pooled collateral program, including reporting on each depository's compliance with the program.

E. Investment Income

Investment income is composed of interest, dividends, and net changes in the fair value of applicable investments. Investment income is included in other local revenue in the fund financial statements.

F. Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Interfund balances between governmental funds are eliminated on the Statement of Net Position.

All receivables, including property taxes receivable, are shown net of an allowance for uncollectibles.

G. Property Tax Calendar

The County Treasurer is responsible for collecting property taxes for all governmental entities within the county. The county levies real and personal property taxes on or before the third Monday in August, which become due and payable in two equal installments. The first installment is due on the first day of October and becomes delinquent after the first business day of November. The second installment is due on the first day of March of the next year and becomes delinquent after the first business day of May.

Pursuant to A.R.S., a lien against assessed real and personal property attaches on the first day of January preceding assessment and levy; however according to case law, an enforceable legal claim to the asset does not arise.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

H. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. Prepaid items are recorded as expenses when consumed in the government-wide financial statements and as expenditures when purchased in the fund financial statements.

I. Capital Assets

Capital assets, which include land and improvements; buildings and improvements; vehicles, furniture, and equipment; and construction in progress, are reported in the government-wide financial statements.

Capital assets are defined by the District as assets with an initial, individual cost in excess of \$5,000 and an estimated useful life of more than one year. Capital assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Land improvements	15-25 years
Buildings and improvements	10-50 years
Vehicles, furniture and equipment	5-20 years

J. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position may report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position may report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

K. Pensions and Other Postemployment Benefits

For purposes of measuring the net pension liability, and other postemployment benefit (OPEB) assets and liabilities, related deferred outflows of resources and deferred inflows of resources, and related expenses, information about the pension plans' fiduciary net position and OPEB and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

L. Compensated Absences

The District's employee vacation and sick leave policies generally provide for granting vacation and sick leave with pay in varying amounts. Only benefits considered vested are recognized in the financial statements. The liability for vacation and sick leave is reported in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee leave, resignations and retirements. Generally, resources from the General Fund are used to pay for compensated absences.

M. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities on the statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the straight-line method. Deferred amounts on refunding result from the difference between the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

N. Interfund Activity

Flows of cash from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers between governmental funds are eliminated in the Statement of Activities. Interfund transfers in the fund financial statements are reported as other financing sources/uses in governmental funds

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

O. Net Position Flow Assumption

In the government-wide financial statements the District applies restricted resources first when outlays are incurred for purposes for which either restricted or unrestricted amounts are available.

P. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

NOTE 2 – FUND BALANCE CLASSIFICATIONS

Fund balances of the governmental funds are reported separately within classifications based on a hierarchy of the constraints placed on the use of those resources. The classifications are based on the relative strength of the constraints that control how the specific amounts can be spent. The classifications are nonspendable, restricted, and unrestricted, which includes committed, assigned, and unassigned fund balance classifications.

Nonspendable. The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact.

Restricted. Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation.

Committed. The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action of the Governing Board. Those committed amounts cannot be used for any other purpose unless the Governing Board removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. The District does not have a formal policy or procedures for the utilization of committed fund balance, accordingly, no committed fund balance amounts are reported.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 2 – FUND BALANCE CLASSIFICATIONS

Assigned. Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the Governing Board or a management official delegated that authority by the formal Governing Board action. The District does not have a formal policy for the utilization of assigned fund balance, accordingly, no assigned fund balance amounts are reported.

Unassigned. Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had be restricted, committed, or assigned.

The District applies restricted resources first when outlays are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

The table below provides detail of the major components of the District's fund balance classifications at year end.

	General Fund	Unrestricted Capital Outlay Fund	Non-Major Governmental Funds
Fund Balances:			
Restricted:			
Capital projects	\$	\$	\$ 6,163
Bond building projects			16,778
Voter approved initiatives			435,266
Food service			186,733
Civic center			28,191
Community school			22,856
Extracurricular activities			39,111
Donor restricted gifts and donations			58,112
Other purposes			23,230
Unassigned	1,438,758	(167,432)	(128,769)
Total fund balances	<u>\$ 1,438,758</u>	<u>\$ (167,432)</u>	<u>\$ 687,671</u>

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Individual Deficit Fund Balances – At year end, the following individual major and non-major governmental funds reported deficits in fund balance.

	<u>Deficit</u>
Major Governmental Fund:	
Unrestricted Capital Outlay	\$ 167,432
Non-Major Governmental Funds:	
Special Education Grants	50,729
Adult Education	8,990
E-Rate	27,675
Other Federal Projects	41,375

The deficits arose because of operations during the year and/or because of pending grant reimbursements. Additional revenues received in fiscal year 2018-19 are expected to eliminate the deficits.

Excess Expenditures Over Budget – At year end, the District had expenditures in funds that exceeded the budgets, however, this does not constitute a violation of any legal provisions.

NOTE 4 – CASH AND INVESTMENTS

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of bank failure the District's deposits may not be returned to the District. The District does not have a deposit policy for custodial credit risk. At year end, the carrying amount of the District's deposits was \$73,585 and the bank balance was \$693,266. The District also had \$16,563 of lease proceeds held in an escrow account. At year end, \$362,989 was covered by collateral held by the pledging institution's trust department or agent but not in the District's name.

Fair Value Measurements. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset.

- Level 1 inputs are quoted prices in active markets for identical assets
- Level 2 inputs are significant other observable inputs
- Level 3 inputs are significant unobservable inputs

The County Treasurer's pool is an external investment pool with no regulatory oversight. The pool is not required to register (and is not registered) with the Securities and Exchange Commission. The fair value of each participant's position in the County Treasurer investment pool approximates the value of the participant's shares in the pool and the participants' shares are not identified with specific investments. Participants in the pool are not required to categorize the value of shares in accordance with the fair value hierarchy.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 4 – CASH AND INVESTMENTS

At year end, several of the District's funds had negative cash balances in the County Treasurer's pooled cash accounts. Interfund borrowing reduced the aggregate negative cash balance to \$2,576,468, which has been recognized as a payable due to the county in the General Fund. Outstanding receivables will be applied towards this liability in fiscal year 2018-19.

At year end, the District's investments consisted of the following:

	<u>Average Maturities</u>	<u>Fair Value</u>
County Treasurer's investment pool	2.34 years	<u>\$ 336,191</u>

Interest Rate Risk. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. The District has no investment policy that would further limit its investment choices. As of year end, the District's investment in the County Treasurer's investment pools did not receive a credit quality rating from a national rating agency.

Custodial Credit Risk – Investments. The District's investment in the County Treasurer's investment pools represents a proportionate interest in the pool's portfolio; however, the District's portion is not identified with specific investments and is not subject to custodial credit risk.

NOTE 5 – RECEIVABLES

Receivable balances, net of allowance for uncollectibles, have been disaggregated by type and presented separately in the financial statements with the exception of due from governmental entities. Due from governmental entities, net of allowance for uncollectibles, as of year end for the District's individual major funds and non-major governmental funds in the aggregate were as follows:

	<u>General Fund</u>	<u>Unrestricted Capital Outlay Fund</u>	<u>Non-Major Governmental Funds</u>
Due from other governmental entities:			
Due from federal government	\$ 11,179	\$	\$ 470,198
Due from state government	4,114,811	51,197	156,052
Net due from governmental entities	<u>\$ 4,125,990</u>	<u>\$ 51,197</u>	<u>\$ 626,250</u>

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 6 – CAPITAL ASSETS

A summary of capital asset activity for the current fiscal year follows:

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 1,609,011	\$	\$	\$ 1,609,011
Construction in progress	422,774	850,344	422,774	850,344
Total capital assets, not being depreciated	<u>2,031,785</u>	<u>850,344</u>	<u>422,774</u>	<u>2,459,355</u>
Capital assets, being depreciated:				
Land improvements	1,822,824	115,272		1,938,096
Buildings and improvements	39,007,993	1,483,087		40,491,080
Vehicles, furniture and equipment	4,816,816	196,640	136,887	4,876,569
Total capital assets being depreciated	<u>45,647,633</u>	<u>1,794,999</u>	<u>136,887</u>	<u>47,305,745</u>
Less accumulated depreciation for:				
Land improvements	(842,197)	(86,873)		(929,070)
Buildings and improvements	(12,686,790)	(1,032,494)		(13,719,284)
Vehicles, furniture and equipment	(2,533,009)	(425,412)	(131,790)	(2,826,631)
Total accumulated depreciation	<u>(16,061,996)</u>	<u>(1,544,779)</u>	<u>(131,790)</u>	<u>(17,474,985)</u>
Total capital assets, being depreciated, net	<u>29,585,637</u>	<u>250,220</u>	<u>5,097</u>	<u>29,830,760</u>
Governmental activities capital assets, net	<u>\$ 31,617,422</u>	<u>\$ 1,100,564</u>	<u>\$ 427,871</u>	<u>\$ 32,290,115</u>

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 962,200
Support services – students and staff	682
Support services – administration	33,819
Operation and maintenance of plant services	397,863
Student transportation services	127,051
Operation of non-instructional services	23,164
Total depreciation expense – governmental activities	<u>\$1,544,779</u>

Construction Commitments – At year end, the District had contractual commitments related to building remediation and equipment installation. At year end, the District had spent \$850,344 on the projects and had estimated remaining contractual commitments of \$1,059,499.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 7 – OBLIGATIONS UNDER CAPITAL LEASES

The District has acquired computers, textbooks, energy efficiency upgrades, and computer hardware under the provisions of long-term lease agreements classified as capital leases. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. Revenues from the Unrestricted Capital Outlay Fund, a major governmental fund, and revenues from the General Fund are transferred to the Energy and Water Savings Fund to pay the capital lease obligations when due. The District receives a federal interest subsidy to fund the interest payments for the District-wide energy project and the Qualified Zone Academy Bond program. Amortization of assets recorded under capital leases is included with depreciation expense.

The assets acquired through capital leases that meet the District's capitalization threshold are as follows:

	Governmental Activities
Asset:	
Construction in progress	\$ 15,123
Building improvements	3,819,945
Vehicles, furniture and equipment	1,305,638
Less: Accumulated depreciation	(1,434,864)
Total	<u>\$ 3,705,842</u>

The future minimum lease obligations and the net present value of these minimum lease payments at year end were as follows:

Year Ending June 30:	Governmental Activities
2019	\$ 501,278
2020	1,155,366
2021	1,144,127
2022	332,561
2023	321,107
2024-27	<u>1,167,697</u>
Total minimum lease payments	4,622,136
Less: amount representing interest	<u>604,282</u>
Present value of minimum lease payments	<u>\$ 4,017,854</u>
Due within one year	<u>\$ 379,094</u>

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 8 – CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the current fiscal year was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Obligations under capital leases	\$ 4,394,645	\$	\$ 376,791	\$ 4,017,854	\$ 379,094
Net OPEB liability	45,140	391		45,531	
Net pension liability	19,753,361		33,107	19,720,254	
Compensated absences payable	<u>209,724</u>	<u>273,180</u>	<u>232,752</u>	<u>250,152</u>	<u>230,140</u>
Governmental activity long-term liabilities	<u>\$ 24,402,870</u>	<u>\$ 273,571</u>	<u>\$ 642,650</u>	<u>\$24,033,791</u>	<u>\$ 609,234</u>

NOTE 9 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

At year end, interfund balances were as follows:

Due to/from other funds:

	<u>Non-Major Governmental Funds</u>
General Fund	\$ 32,123
Unrestricted Capital Outlay Fund	239,324
Non-Major Governmental Funds	<u>391,563</u>
Total Due from Other Funds	<u>\$ 663,010</u>

At year end, several funds had negative cash balances in the Treasurer's pooled cash accounts. Negative cash on deposit with the County Treasurer was reduced by interfund borrowing with other funds. All interfund balances are expected to be paid within one year.

Interfund transfers – Transfers between funds were used to (1) move federal grant funds of \$205,556 restricted for indirect costs, (2) to transfer funds from the General Fund of \$274,020 to the Energy and Water Savings Fund for the debt service on an energy efficiency project lease, and (3) to move cash balances of \$1,963 remaining in the Community Schools Fund, a non-major governmental fund, to the General Fund.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 10 – CONTINGENT LIABILITIES

Compliance – Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures/expenses that may be disallowed by the grantor cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

NOTE 11 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The District was unable to obtain general property and liability insurance at a cost it considered to be economically justifiable. Therefore, the District joined the Arizona School Risk Retention Trust, Inc. (ASRRT). ASRRT is a public entity risk pool currently operating as a common risk management and insurance program for school districts and community colleges in the State. The District pays an annual premium to ASRRT for its general insurance coverage. The agreement provides that ASRRT will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of specified amounts.

The District's employees have health and accident insurance coverage with the Arizona School Board Association Insurance Trust (ASBAIT). ASBAIT is a public entity risk pool currently operating as a common risk management and insurance program for school districts in the State. The District pays a monthly premium to ASBAIT for employees' health and accident insurance coverage. The agreement provides that ASBAIT will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of specified amounts.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 11 – RISK MANAGEMENT

The District joined the Arizona School Alliance for Workers' Compensation, Inc. (Alliance) together with other school districts in the state for risks of loss related to workers' compensation claims. The Alliance is a public entity risk pool currently operating as a common risk management and insurance program for school districts in the State. The District pays quarterly premiums to the Alliance for its employee workers' compensation coverage. The agreement provides that the Alliance will be self-sustaining through members' premiums and will reinsure through commercial companies for claims in excess of specified amounts for each insured event.

The District continues to carry commercial insurance for all other risks of loss, including dental, vision, and life insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 12 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

Plan Description. District employees participate in the Arizona State Retirement System (ASRS). The ASRS administers a cost-sharing multiple-employer defined benefit pension plan, a cost-sharing multiple-employer defined benefit health insurance premium benefit (OPEB) plan, and a cost-sharing multiple-employer defined benefit long-term disability (OPEB) plan. The Arizona State Retirement System Board governs the ASRS according to the provisions of A.R.S. Title 38, Chapter 5, Articles 2 and 2.1. ASRS is a component unit of the State of Arizona. The ASRS issues a publicly available financial report that includes its financial statements and required supplementary information. The report is available on the ASRS website at www.azasrs.gov.

Aggregate Amounts. At June 30, 2018, the District reported the following aggregate amounts related to pensions and OPEB for all plans to which it contributes:

	<u>Pension</u>	<u>OPEB</u>
Net assets	\$	\$ (68,230)
Net liability	19,720,254	45,531
Deferred outflows of resources	2,849,924	75,252
Deferred inflows of resources	1,185,804	83,724
Expense	840,338	64,200
Contributions	1,367,084	75,252

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 12 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

Benefits Provided. The ASRS provides retirement, health insurance premium supplement, long-term disability, and survivor benefits. State statute establishes benefit terms. Retirement benefits are calculated on the basis of age, average monthly compensation, and service credit as follows:

	Retirement Initial Membership Date:	
	Before July 1, 2011	On or After July 1, 2011
Years of service and age required to receive benefit	Sum of years and age equals 80 10 years, age 62 5 years, age 50* Any years, age 65	30 years, age 55 25 years, age 60 10 years, age 62 5 years, age 50* Any years, age 65
Final average salary is based on	Highest 36 months of last 120 months	Highest 60 months of last 120 months
Benefit percent per year of service	2.1% to 2.3%	2.1% to 2.3%

*With actuarially reduced benefits

Retirement benefits for members who joined the ASRS prior to September 13, 2013, are subject to automatic cost-of-living adjustments based on excess investment earnings. Members with a membership date on or after September 13, 2013, are not eligible for cost-of-living adjustments. Survivor benefits are payable upon a member's death. For retired members, the survivor benefit is determined by the retirement benefit option chosen. For all other members, the beneficiary is entitled to the member's account balance that includes the member's contributions and employer's contributions, plus interest earned.

Retired and disabled members, with at least five years of credited service, are eligible to receive health insurance premium benefits. The benefits are payable only with respect to allowable health insurance premiums for which the member is responsible. For members with 10 or more years of service, benefits range from \$150 per month to \$260 per month depending on the age of the member and dependents. For members with five to nine years of service, the benefits are the same dollar amounts as above multiplied by a vesting fraction based on completed years of service.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 12 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

Active members are eligible for a long-term disability benefit in the event they become unable to perform their work. The monthly benefit is equal to two-thirds of their monthly earnings. Members receiving benefits continue to earn service credit up to their normal retirement dates. Members with long-term disability commencement dates after June 30, 1999 are limited to 30 years of service or the service on record as of the effective disability date, if their service is greater than 30 years.

Contributions. In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the current fiscal year, active ASRS members were required by statute to contribute at the actuarially determined rate of 11.50 percent (11.34 percent for retirement and 0.16 percent for long-term disability) of the members' annual covered payroll, and the District was required by statute to contribute at the actuarially determined rate of 11.50 percent (10.90 percent for retirement, 0.44 percent for health insurance premium benefit, and 0.16 percent for long-term disability) of the active members' annual covered payroll. The District's contributions for the year ended June 30, 2018 were as follows:

	<u>Contributions</u>
Pension	\$ 1,367,084
Health Insurance Premium	55,185
Long-Term Disability	20,067

Employers are also required to pay an Alternate Contribution Rate (ACR), for retired members who return to work in positions that would typically be filled by an employee who contributes to ASRS. The District was required by statute to contribute at the actuarially determined rate of 9.49 percent (9.26 for retirement, 0.10 percent for health insurance premium benefit, and 0.13 percent for long-term disability). ACR contributions are included in employer contributions presented above.

The District's pension and OPEB contributions are paid by the same funds as the employee's salary, with the largest component coming from the General Fund.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 12 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

Pension and OPEB Assets/Liability. The net pension and OPEB assets/liability were measured as of June 30, 2017. The total liability used to calculate the net asset or net liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2016, to the measurement date of June 30, 2017. The District's proportion of the net assets/liability was based on the District's actual contributions to the applicable plan relative to the total of all participating employers' contributions to the plan for the year ended June 30, 2017.

At June 30, 2018, the District reported the following amounts for its proportionate share of the ASRS plans net assets/liability. In addition, at June 30, 2017, the District's percentage proportion for each plan and the related change from its proportion measured as of June 30, 2016 was:

	Net (Assets) Liability	District % Proportion	Increase (Decrease)
Pension	\$ 19,720,254	0.127	0.004
Health Insurance Premium	(68,230)	0.125	
Long-Term Disability	45,531	0.126	

Pension/OPEB Expense and Deferred Outflows/Inflows of Resources. The District has deferred outflows and inflows of resources related to the net pension and OPEB assets/liabilities. Certain changes in the net pension and OPEB assets/liability are recognized as pension and OPEB expense over a period of time rather than the year of occurrence. For the year ended June 30, 2018, the District recognized pension and OPEB expense as follows:

	Expense
Pension	\$ 840,338
Health Insurance Premium	39,908
Long-Term Disability	24,292

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 12 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

The District reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

	Deferred Outflows of Resources		
	Pension	Health Insurance Premium	Long-Term Disability
Differences between expected and actual experience	\$	\$	\$
Changes of assumptions or other inputs	856,496		
Net difference between projected and actual earnings on pension investments	141,578		
Changes in proportion and differences between contributions and proportionate share of contributions	484,766		
Contributions subsequent to the measurement date	1,367,084	55,185	20,067
Total	<u>\$ 2,849,924</u>	<u>\$ 55,185</u>	<u>\$ 20,067</u>

	Deferred Inflows of Resources		
	Pension	Health Insurance Premium	Long-Term Disability
Differences between expected and actual experience	\$ 591,322	\$	\$
Changes of assumptions or other inputs	589,671		
Net difference between projected and actual earnings on pension investments		76,824	6,811
Changes in proportion and differences between contributions and proportionate share of contributions	4,811	82	7
Total	<u>\$ 1,185,804</u>	<u>\$ 76,906</u>	<u>\$ 6,818</u>

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 12 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

The amounts of deferred outflows of resources resulting from contributions subsequent to the measurement date as reported in the table above will be recognized as an adjustment of the net pension and OPEB assets/liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be recognized in pension and OPEB expense as follows:

Year Ending June 30:	Pension	Health Insurance Premium	Long-Term Disability
2019	\$ (570,031)	\$ (19,223)	\$ (1,704)
2020	1,036,410	(19,223)	(1,704)
2021	284,282	(19,223)	(1,704)
2022	(453,625)	(19,223)	(1,704)
2023		(14)	(1)
Thereafter			(2)

Actuarial Assumptions. The significant actuarial assumptions used to measure the total pension and OPEB liability are as follows:

	Pension	OPEB
Actuarial valuation date	June 30, 2016	June 30, 2016
Actuarial roll forward date	June 30, 2017	June 30, 2017
Actuarial cost method	Entry age normal	Entry age normal
Investment rate of return	8.0%	8.0%
Projected salary increases	3.0-6.75%	Not applicable
Inflation	3.0%	3.0%
Permanent base increases	Included	Not applicable
Mortality rates	1994 GAM Scale BB	1994 GAM Scale BB
Healthcare cost trend rate	Not applicable	Not applicable

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2012. The purpose of the experience study was to review actual experience in relation to the actuarial assumptions in effect. The ASRS Board adopted the experience study recommended changes which were applied to the June 30, 2013, actuarial valuation. The study did not include an analysis of the assumed investment rate of return.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 12 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

The long-term expected rate of return on ASRS plan investments was determined to be 8.70 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class for all ASRS plans are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity	58%	6.73%
Fixed income	25	3.70
Real estate	10	4.25
Multi-asset	5	3.41
Commodities	2	3.84
Total	100%	

Discount Rate. The discount rate used to measure the ASRS total pension and OPEB liability was 8.0 percent, which is less than the long-term expected rate of return of 8.70 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board's funding policy, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on investments was applied to all periods of projected benefit payments to determine the total pension and OPEB liability.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 12 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

Sensitivity of the Proportionate Share of the Net Pension and OPEB Asset/Liability to Changes in the Discount Rate. The following presents the District's proportionate share of the net pension and OPEB assets/liability calculated using the discount rate of 8.0 percent, as well as what the proportionate share of the net pension and OPEB asset/liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	Proportionate share of the net (assets) liability		
	1% Decrease	Current Discount Rate	1% Increase
Rate	7.0%	8.0%	9.0%
Pension	\$ 25,311,289	\$ 19,720,254	\$ 15,048,466
Health Insurance Premium	113,310	(68,230)	(222,507)
Long-Term Disability	54,443	45,531	37,974

Pension and OPEB Plan Fiduciary Net Position. Detailed information about the pension and OPEB plan's fiduciary net position is available in the separately issued ASRS financial report. The report is available on the ASRS website at www.azasrs.gov.

Beginning Net Position Restatement. The implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, represents a change in accounting principle. Net position as of July 1, 2017, has been restated as follows for this change in accounting principle:

	Statement of Activities
Net position, June 30, 2017, as previously reported	\$ 11,208,029
Net OPEB asset	31,232
Net OPEB liability	(28,057)
Net position, July 1, 2017, as restated	<u>\$ 11,211,204</u>

REQUIRED SUPPLEMENTARY INFORMATION

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL
YEAR ENDED JUNE 30, 2018

	Budgeted Amounts		Non-GAAP Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Other local	\$	\$	\$ 533,295	\$ 533,295
Property taxes			1,149,815	1,149,815
State aid and grants			13,120,585	13,120,585
Total revenues			<u>14,803,695</u>	<u>14,803,695</u>
Expenditures:				
Current -				
Instruction	8,257,451	8,302,144	7,803,471	498,673
Support services - students and staff	1,217,436	1,261,098	1,178,168	82,930
Support services - administration	2,535,442	2,600,542	2,556,080	44,462
Operation and maintenance of plant services	2,295,036	2,442,228	2,383,754	58,474
Student transportation services	521,121	516,333	472,849	43,484
Operation of non-instructional services	32,447	31,571	31,571	
Total expenditures	<u>14,858,933</u>	<u>15,153,916</u>	<u>14,425,893</u>	<u>728,023</u>
Excess (deficiency) of revenues over expenditures	<u>(14,858,933)</u>	<u>(15,153,916)</u>	<u>377,802</u>	<u>15,531,718</u>
Other financing sources (uses):				
Transfer in			1,963	1,963
Transfer out			(274,020)	(274,020)
Total other financing sources (uses)			<u>(272,057)</u>	<u>(272,057)</u>
Changes in fund balances	<u>(14,858,933)</u>	<u>(15,153,916)</u>	<u>105,745</u>	<u>15,259,661</u>
Fund balances, beginning of year			713,947	713,947
Fund balances (deficits), end of year	<u>\$ (14,858,933)</u>	<u>\$ (15,153,916)</u>	<u>\$ 819,692</u>	<u>\$ 15,973,608</u>

See accompanying notes to this schedule.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
ARIZONA STATE RETIREMENT SYSTEM
LAST FOUR FISCAL YEARS

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Measurement date	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension (assets) liability	0.13%	0.12%	0.12%	0.12%
District's proportionate share of the net pension (assets) liability	\$ 19,720,254	\$ 19,753,361	\$ 19,022,767	\$ 18,137,029
District's covered payroll	\$ 12,426,447	\$ 11,456,894	\$ 11,275,390	\$ 11,475,607
District's proportionate share of the net pension (assets) liability as a percentage of its covered payroll	158.70%	172.41%	168.71%	158.05%
Plan fiduciary net position as a percentage of the total pension liability	69.92%	67.06%	68.35%	69.49%

SCHEDULE OF PENSION CONTRIBUTIONS
ARIZONA STATE RETIREMENT SYSTEM
LAST FOUR FISCAL YEARS

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 1,367,084	\$ 1,339,571	\$ 1,243,073	\$ 1,227,890
Contributions in relation to the actuarially determined contribution	<u>1,367,084</u>	<u>1,339,571</u>	<u>1,243,073</u>	<u>1,227,890</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 12,542,055	\$ 12,426,447	\$ 11,456,894	\$ 11,275,390
Contributions as a percentage of covered payroll	10.90%	10.78%	10.85%	10.89%

NOTE: The pension and OPEB schedules in the required supplementary information are intended to show information for ten years, and additional information will be displayed as it becomes available.

See accompanying notes to this schedule.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
ARIZONA STATE RETIREMENT SYSTEM - HEALTH INSURANCE PREMIUM
JUNE 30, 2018

2018

Measurement date	June 30, 2017
District's proportion of the net OPEB (assets) liability	0.13%
District's proportionate share of the net OPEB (assets) liability	\$ (68,230)
District's covered payroll	\$ 12,426,447
District's proportionate share of the net OPEB (assets) liability as a percentage of its covered payroll	-0.55%
Plan fiduciary net position as a percentage of the total OPEB liability	103.57%

SCHEDULE OF OPEB CONTRIBUTIONS
ARIZONA STATE RETIREMENT SYSTEM - HEALTH INSURANCE PREMIUM
JUNE 30, 2018

2018

Actuarially determined contribution	\$ 55,185
Contributions in relation to the actuarially determined contribution	<u>55,185</u>
Contribution deficiency (excess)	<u>\$</u>
District's covered payroll	\$ 12,542,055
Contributions as a percentage of covered payroll	0.44%

NOTE: The pension and OPEB schedules in the required supplementary information are intended to show information for ten years, and additional information will be displayed as it becomes available.

See accompanying notes to this schedule.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
ARIZONA STATE RETIREMENT SYSTEM - LONG-TERM DISABILITY
JUNE 30, 2018

2018

Measurement date	June 30, 2017
District's proportion of the net OPEB (assets) liability	0.13%
District's proportionate share of the net OPEB (assets) liability	\$ 45,531
District's covered payroll	\$ 12,426,447
District's proportionate share of the net OPEB (assets) liability as a percentage of its covered payroll	0.37%
Plan fiduciary net position as a percentage of the total OPEB liability	84.44%

SCHEDULE OF OPEB CONTRIBUTIONS
ARIZONA STATE RETIREMENT SYSTEM - LONG-TERM DISABILITY
JUNE 30, 2018

2018

Actuarially determined contribution	\$ 20,067
Contributions in relation to the actuarially determined contribution	<u>20,067</u>
Contribution deficiency (excess)	<u>\$</u>
District's covered payroll	\$ 12,542,055
Contributions as a percentage of covered payroll	0.16%

NOTE: The pension and OPEB schedules in the required supplementary information are intended to show information for ten years, and additional information will be displayed as it becomes available.

See accompanying notes to this schedule.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2018

NOTE 1 – BUDGETARY BASIS OF ACCOUNTING

The District budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America, except for the following items.

- Certain activities reported in the General Fund are budgeted in separate funds in accordance with Arizona Revised Statutes.

The following schedule reconciles expenditures and fund balances at the end of year:

	<u>Total Expenditures</u>	<u>Fund Balances End of Year</u>
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	\$ 14,757,246	\$ 1,438,758
Activity budgeted as special revenue funds	(318,709)	(609,256)
Activity budgeted as capital projects funds	<u>(12,644)</u>	<u>(9,810)</u>
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	<u>\$ 14,425,893</u>	<u>\$ 819,692</u>

NOTE 2 – PENSION AND OPEB PLAN SCHEDULES

Actuarial Assumptions for Valuations Performed. The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated, which is the most recent actuarial valuation. The actuarial assumptions used are disclosed in the notes to the financial statements.

Factors that Affect Trends. The actuarial assumptions used in the June 30, 2016, valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2011. The purpose of the experience study was to review actual experience in relation to the actuarial assumptions in effect. The ASRS Board adopted the experience study recommended changes which were applied to the June 30, 2013, actuarial valuation. The study did not include an analysis of the assumed investment rate of return.

**COMBINING AND INDIVIDUAL
FUND FINANCIAL STATEMENTS
AND SCHEDULES**

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GOVERNMENTAL FUNDS

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
JUNE 30, 2018

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
<u>ASSETS</u>			
Cash and investments	\$	\$ 215	\$ 215
Accounts receivable	22,412		22,412
Due from governmental entities	626,250		626,250
Due from other funds	656,847	6,163	663,010
Cash and investments - restricted		16,563	16,563
Total assets	<u>\$ 1,305,509</u>	<u>\$ 22,941</u>	<u>\$ 1,328,450</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 48,207	\$	\$ 48,207
Due to other funds	391,563		391,563
Unearned revenues	43,867		43,867
Total liabilities	<u>483,637</u>		<u>483,637</u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental	<u>157,142</u>		<u>157,142</u>
Fund balances (deficits):			
Restricted	793,499	22,941	816,440
Unassigned	(128,769)		(128,769)
Total fund balances	<u>664,730</u>	<u>22,941</u>	<u>687,671</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,305,509</u>	<u>\$ 22,941</u>	<u>\$ 1,328,450</u>

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
YEAR ENDED JUNE 30, 2018

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
Revenues:			
Other local	\$ 275,277	\$ 34	\$ 275,311
State aid and grants	1,626,403		1,626,403
Federal aid, grants and reimbursements	5,162,917	104,536	5,267,453
Total revenues	<u>7,064,597</u>	<u>104,570</u>	<u>7,169,167</u>
Expenditures:			
Current -			
Instruction	2,628,854		2,628,854
Support services - students and staff	1,493,807		1,493,807
Support services - administration	334,959		334,959
Operation and maintenance of plant services	426,046		426,046
Student transportation services	32,870		32,870
Operation of non-instructional services	1,798,568		1,798,568
Capital outlay	279,059	93,645	372,704
Debt service -			
Principal retirement		241,791	241,791
Interest and fiscal charges		135,515	135,515
Total expenditures	<u>6,994,163</u>	<u>470,951</u>	<u>7,465,114</u>
Excess (deficiency) of revenues over expenditures	<u>70,434</u>	<u>(366,381)</u>	<u>(295,947)</u>
Other financing sources (uses):			
Transfer in		274,020	274,020
Transfer out	(207,519)		(207,519)
Total other financing sources (uses)	<u>(207,519)</u>	<u>274,020</u>	<u>66,501</u>
Changes in fund balances	<u>(137,085)</u>	<u>(92,361)</u>	<u>(229,446)</u>
Fund balances, beginning of year	801,815	115,302	917,117
Fund balances, end of year	<u>\$ 664,730</u>	<u>\$ 22,941</u>	<u>\$ 687,671</u>

SPECIAL REVENUE FUNDS

Classroom Site - to account for the financial activity for the portion of state sales tax collections and permanent state school fund earnings as approved by the voters in 2000.

Instructional Improvement - to account for the activity of monies received from gaming revenue.

County, City and Town Grants - to account for monies received from county, city and town grants.

Title I Grants - to account for financial assistance received for the purpose of improving the teaching and learning of children failing, or most at-risk of failing, to meet challenging State academic standards.

Professional Development and Technology Grants - to account for financial assistance received to increase student academic achievement through improving teacher quality.

Title IV Grants - to account for financial assistance received for chemical abuse awareness programs and expanding projects that benefit educational and health needs of the communities.

Limited English & Immigrant Students - to account for financial assistance received for educational services and costs for limited English and immigrant children.

Special Education Grants - to account for supplemental financial assistance received to provide a free, appropriate public education to disabled children.

Adult Education - to account for financial assistance for adult education programs.

Medicaid Reimbursement - to account for reimbursements related to specific health services provided to eligible students.

E-Rate - to account for financial assistance received for broadband internet and telecommunication costs.

Impact Aid - to account for financial assistance to local educational agencies that are financially burdened by federal activities.

Other Federal Projects - to account for financial assistance received for other supplemental federal projects.

Adult Basic Education - to account for State financial assistance for continuous adult education.

Rural Assistance - to account for state assistance received to assist homeless of special needs pupils.

Other State Projects - to account for financial assistance received for other State projects.

School Plant - to account for proceeds from the sale or lease of school property.

Food Service - to account for the financial activity of school activities that have as their purpose the preparation and serving of regular and incidental meals and snacks in connection with school functions.

Civic Center - to account for monies received from the rental of school facilities for civic activities.

Community School - to account for activity related to academic and skill development for all citizens.

Auxiliary Operations - to account for activity arising from athletic and miscellaneous District related operations.

Extracurricular Activities Fees Tax Credit - to account for activity related to monies collected in support of extracurricular activities to be taken as a tax credit by the tax payer in accordance with A.R.S. §43-1089.01.

Gifts and Donations - to account for activity related to gifts, donations, bequests and private grants made to the District.

Textbooks - to account for monies received from students to replace or repair lost or damaged textbooks.

Litigation Recovery - to account for monies received for and derived from litigation.

Indirect Costs - to account for monies received from federal projects for administrative costs.

Insurance Refund - to account for insurance premium payments that are refunded to the District.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2018

	<u>Classroom Site</u>	<u>Instructional Improvement</u>	<u>Title I Grants</u>
<u>ASSETS</u>			
Accounts receivable	\$	\$	\$
Due from governmental entities	103,868	52,184	226,442
Due from other funds	192,827	104,506	
Total assets	<u>\$ 296,695</u>	<u>\$ 156,690</u>	<u>\$ 226,442</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$ 18,119	\$ 10,078
Due to other funds			216,364
Unearned revenues			
Total liabilities	<u></u>	<u>18,119</u>	<u>226,442</u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental	<u></u>	<u></u>	<u></u>
Fund balances (deficits):			
Restricted	296,695	138,571	
Unassigned			
Total fund balances	<u>296,695</u>	<u>138,571</u>	<u></u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 296,695</u>	<u>\$ 156,690</u>	<u>\$ 226,442</u>

<u>Professional Development and Technology Grants</u>	<u>Title IV Grants</u>	<u>Limited English & Immigrant Students</u>	<u>Special Education Grants</u>	<u>Adult Education</u>	<u>E-Rate</u>
\$ 9,070	\$ 14,890	\$ 8,300	\$ 50,729	\$ 8,990	\$ 81,441
<u>\$ 9,070</u>	<u>\$ 14,890</u>	<u>\$ 8,300</u>	<u>\$ 50,729</u>	<u>\$ 8,990</u>	<u>\$ 81,441</u>
\$ 9,070	\$ 14,890	\$ 8,300	\$ 1,072 49,657	\$ 8,990	\$ 7,305 45,763
<u>9,070</u>	<u>14,890</u>	<u>8,300</u>	<u>50,729</u>	<u>8,990</u>	<u>53,068</u>
			<u>50,729</u>	<u>8,990</u>	<u>56,048</u>
			<u>(50,729)</u>	<u>(8,990)</u>	<u>(27,675)</u>
			<u>(50,729)</u>	<u>(8,990)</u>	<u>(27,675)</u>
<u>\$ 9,070</u>	<u>\$ 14,890</u>	<u>\$ 8,300</u>	<u>\$ 50,729</u>	<u>\$ 8,990</u>	<u>\$ 81,441</u>

(Continued)

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2018

	<u>Other Federal Projects</u>	<u>Other State Projects</u>	<u>Food Service</u>
<u>ASSETS</u>			
Accounts receivable	\$	\$	\$
Due from governmental entities	41,375		28,961
Due from other funds		43,867	159,448
Total assets	<u>\$ 41,375</u>	<u>\$ 43,867</u>	<u>\$ 188,409</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 2,846	\$	\$ 1,676
Due to other funds	38,529		
Unearned revenues		43,867	
Total liabilities	<u>41,375</u>	<u>43,867</u>	<u>1,676</u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental	<u>41,375</u>		
Fund balances (deficits):			
Restricted			186,733
Unassigned	<u>(41,375)</u>		
Total fund balances	<u>(41,375)</u>		<u>186,733</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 41,375</u>	<u>\$ 43,867</u>	<u>\$ 188,409</u>

<u>Civic Center</u>	<u>Community School</u>	<u>Extracurricular Activities Fees Tax Credit</u>	<u>Gifts and Donations</u>	<u>Textbooks</u>	<u>Insurance Refund</u>
\$ 13,903	\$	\$	\$ 8,509	\$	\$
21,399	22,856	39,111	49,603	4,376	18,854
<u>\$ 35,302</u>	<u>\$ 22,856</u>	<u>\$ 39,111</u>	<u>\$ 58,112</u>	<u>\$ 4,376</u>	<u>\$ 18,854</u>
\$ 7,111	\$	\$	\$	\$	\$
<u>7,111</u>					
28,191	22,856	39,111	58,112	4,376	18,854
<u>28,191</u>	<u>22,856</u>	<u>39,111</u>	<u>58,112</u>	<u>4,376</u>	<u>18,854</u>
<u>\$ 35,302</u>	<u>\$ 22,856</u>	<u>\$ 39,111</u>	<u>\$ 58,112</u>	<u>\$ 4,376</u>	<u>\$ 18,854</u>

(Continued)

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2018

	<u>Totals</u>
<u>ASSETS</u>	
Accounts receivable	\$ 22,412
Due from governmental entities	626,250
Due from other funds	656,847
Total assets	<u><u>\$ 1,305,509</u></u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES</u>	
<u>AND FUND BALANCES</u>	
Liabilities:	
Accounts payable	\$ 48,207
Due to other funds	391,563
Unearned revenues	43,867
Total liabilities	<u><u>483,637</u></u>
Deferred inflows of resources:	
Unavailable revenues - intergovernmental	<u>157,142</u>
Fund balances (deficits):	
Restricted	793,499
Unassigned	<u>(128,769)</u>
Total fund balances	<u><u>664,730</u></u>
Total liabilities, deferred inflows of resources	
and fund balances	<u><u>\$ 1,305,509</u></u>

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SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	<u>Classroom Site</u>	<u>Instructional Improvement</u>	<u>County, City, and Town Grants</u>
Revenues:			
Other local	\$ 7,254	\$ 655	\$
State aid and grants	1,246,410	121,236	
Federal aid, grants and reimbursements			
Total revenues	<u>1,253,664</u>	<u>121,891</u>	<u></u>
Expenditures:			
Current -			
Instruction	1,173,690	73,775	
Support services - students and staff	49,786	71,199	122
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay		6,022	
Total expenditures	<u>1,223,476</u>	<u>150,996</u>	<u>122</u>
Excess (deficiency) of revenues over expenditures	<u>30,188</u>	<u>(29,105)</u>	<u>(122)</u>
Other financing sources (uses):			
Transfer out			
Total other financing sources (uses)	<u></u>	<u></u>	<u></u>
Changes in fund balances	<u>30,188</u>	<u>(29,105)</u>	<u>(122)</u>
Fund balances, beginning of year	266,507	167,676	122
Fund balances (deficits), end of year	<u>\$ 296,695</u>	<u>\$ 138,571</u>	<u>\$</u>

<u>Title I Grants</u>	<u>Professional Development and Technology Grants</u>	<u>Title IV Grants</u>	<u>Limited English & Immigrant Students</u>	<u>Special Education Grants</u>	<u>Adult Education</u>
\$	\$	\$	\$	\$	\$
1,553,944	106,103	15,524	153,846	533,886	87,044
<u>1,553,944</u>	<u>106,103</u>	<u>15,524</u>	<u>153,846</u>	<u>533,886</u>	<u>87,044</u>
568,008	17,045	5,688	74,184	178,782	16,502
559,608	82,704	4,109	76,463	362,765	65,721
285,533			2,907	11,379	10,543
2,782					
4,918		2,755		989	
42,829		2,672		5,392	
<u>1,463,678</u>	<u>99,749</u>	<u>15,224</u>	<u>153,554</u>	<u>559,307</u>	<u>92,766</u>
90,266	6,354	300	292	(25,421)	(5,722)
(90,266)	(6,354)	(300)	(292)	(25,308)	(3,268)
<u>(90,266)</u>	<u>(6,354)</u>	<u>(300)</u>	<u>(292)</u>	<u>(25,308)</u>	<u>(3,268)</u>
				(50,729)	(8,990)
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ (50,729)</u>	<u>\$ (8,990)</u>

(Continued)

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	E-Rate	Other Federal Projects	Adult Basic Education
Revenues:			
Other local	\$	\$	\$
State aid and grants	8,850		87,285
Federal aid, grants and reimbursements	389,912	375,813	
Total revenues	<u>398,762</u>	<u>375,813</u>	<u>87,285</u>
Expenditures:			
Current -			
Instruction	43,931	282,511	38,671
Support services - students and staff		109,003	45,843
Support services - administration		3,070	519
Operation and maintenance of plant services	363,366		
Student transportation services			
Operation of non-instructional services			
Capital outlay	19,140	1,781	2,252
Total expenditures	<u>426,437</u>	<u>396,365</u>	<u>87,285</u>
Excess (deficiency) of revenues over expenditures	<u>(27,675)</u>	<u>(20,552)</u>	
Other financing sources (uses):			
Transfer out		(20,823)	
Total other financing sources (uses)		<u>(20,823)</u>	
Changes in fund balances	<u>(27,675)</u>	<u>(41,375)</u>	
Fund balances, beginning of year			
Fund balances (deficits), end of year	<u>\$ (27,675)</u>	<u>\$ (41,375)</u>	<u>\$</u>

Other State Projects	Food Service	Civic Center	Community School	Extracurricular Activities Fees Tax Credit	Gifts and Donations
\$ 162,622	\$ 56,390	\$ 97,199	\$ 40,925	\$ 11,394	\$ 53,577
	1,946,845				
<u>162,622</u>	<u>2,003,235</u>	<u>97,199</u>	<u>40,925</u>	<u>11,394</u>	<u>53,577</u>
81,082		47,527	14,141	1,241	12,076
30,400		148	9,076	2,168	24,269
3,594	1,775	9,576	3,239		2,824
	43,678	16,220			
297		11,445		5,423	7,043
	1,787,861		10,707		
47,249	69,983	70,262		337	11,140
<u>162,622</u>	<u>1,903,297</u>	<u>155,178</u>	<u>37,163</u>	<u>9,169</u>	<u>57,352</u>
	99,938	(57,979)	3,762	2,225	(3,775)
	(58,945)		(1,963)		
	<u>(58,945)</u>		<u>(1,963)</u>		
	40,993	(57,979)	1,799	2,225	(3,775)
	145,740	86,170	21,057	36,886	61,887
<u>\$</u>	<u>\$ 186,733</u>	<u>\$ 28,191</u>	<u>\$ 22,856</u>	<u>\$ 39,111</u>	<u>\$ 58,112</u>

(Continued)

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	<u>Textbooks</u>	<u>Insurance Refund</u>	<u>Totals</u>
Revenues:			
Other local	\$ 104	\$ 7,779	\$ 275,277
State aid and grants			1,626,403
Federal aid, grants and reimbursements			5,162,917
Total revenues	<u>104</u>	<u>7,779</u>	<u>7,064,597</u>
Expenditures:			
Current -			
Instruction			2,628,854
Support services - students and staff	423		1,493,807
Support services - administration			334,959
Operation and maintenance of plant services			426,046
Student transportation services			32,870
Operation of non-instructional services			1,798,568
Capital outlay			279,059
Total expenditures	<u>423</u>	<u></u>	<u>6,994,163</u>
Excess (deficiency) of revenues over expenditures	<u>(319)</u>	<u>7,779</u>	<u>70,434</u>
Other financing sources (uses):			
Transfer out			(207,519)
Total other financing sources (uses)			<u>(207,519)</u>
Changes in fund balances	<u>(319)</u>	<u>7,779</u>	<u>(137,085)</u>
Fund balances, beginning of year	4,695	11,075	801,815
Fund balances, end of year	<u>\$ 4,376</u>	<u>\$ 18,854</u>	<u>\$ 664,730</u>

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SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Classroom Site		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 7,254	\$ 7,254
State aid and grants		1,246,410	1,246,410
Federal aid, grants and reimbursements			
Total revenues		<u>1,253,664</u>	<u>1,253,664</u>
Expenditures:			
Current -			
Instruction	1,462,323	1,173,690	288,633
Support services - students and staff	48,187	49,786	(1,599)
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>1,510,510</u>	<u>1,223,476</u>	<u>287,034</u>
Excess (deficiency) of revenues over expenditures	<u>(1,510,510)</u>	<u>30,188</u>	<u>1,540,698</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Changes in fund balances	<u>(1,510,510)</u>	<u>30,188</u>	<u>1,540,698</u>
Fund balances, beginning of year		266,507	266,507
Fund balances (deficits), end of year	<u>\$ (1,510,510)</u>	<u>\$ 296,695</u>	<u>\$ 1,807,205</u>

Instructional Improvement			County, City, and Town Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 655 121,236	\$ 655 121,236	\$	\$	\$
	121,891	121,891			
298,800	73,775 71,199	225,025 (71,199)		122	(122)
	6,022	(6,022)			
298,800	150,996	147,804		122	(122)
(298,800)	(29,105)	269,695		(122)	(122)
(298,800)	(29,105)	269,695		(122)	(122)
	167,676	167,676		122	122
\$ (298,800)	\$ 138,571	\$ 437,371	\$	\$	\$

(Continued)

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Title I Grants		Variance -
	Budget	Actual	Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		1,553,944	1,553,944
Total revenues		<u>1,553,944</u>	<u>1,553,944</u>
Expenditures:			
Current -			
Instruction	634,079	568,008	66,071
Support services - students and staff	624,702	559,608	65,094
Support services - administration	318,746	285,533	33,213
Operation and maintenance of plant services	3,106	2,782	324
Student transportation services	5,490	4,918	572
Operation of non-instructional services			
Capital outlay	47,811	42,829	4,982
Total expenditures	<u>1,633,934</u>	<u>1,463,678</u>	<u>170,256</u>
Excess (deficiency) of revenues over expenditures	<u>(1,633,934)</u>	<u>90,266</u>	<u>1,724,200</u>
Other financing sources (uses):			
Transfer in			
Transfer out		(90,266)	(90,266)
Total other financing sources (uses)		<u>(90,266)</u>	<u>(90,266)</u>
Changes in fund balances	<u>(1,633,934)</u>		<u>1,633,934</u>
Fund balances, beginning of year			
Fund balances (deficits), end of year	<u>\$ (1,633,934)</u>	<u>\$</u>	<u>\$ 1,633,934</u>

Professional Development and Technology Grants			Title IV Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	106,103	106,103		15,524	15,524
	106,103	106,103		15,524	15,524
19,388	17,045	2,343	7,006	5,688	1,318
94,075	82,704	11,371	5,062	4,109	953
			3,394	2,755	639
			3,292	2,672	620
113,463	99,749	13,714	18,754	15,224	3,530
(113,463)	6,354	119,817	(18,754)	300	19,054
	(6,354)	(6,354)		(300)	(300)
	(6,354)	(6,354)		(300)	(300)
(113,463)		113,463	(18,754)		18,754
\$ (113,463)	\$	\$ 113,463	\$ (18,754)	\$	\$ 18,754

(Continued)

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Limited English & Immigrant Students		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		153,846	153,846
Total revenues		<u>153,846</u>	<u>153,846</u>
Expenditures:			
Current -			
Instruction	89,495	74,184	15,311
Support services - students and staff	92,244	76,463	15,781
Support services - administration	3,507	2,907	600
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>185,246</u>	<u>153,554</u>	<u>31,692</u>
Excess (deficiency) of revenues over expenditures	<u>(185,246)</u>	<u>292</u>	<u>185,538</u>
Other financing sources (uses):			
Transfer in			
Transfer out		(292)	(292)
Total other financing sources (uses)		<u>(292)</u>	<u>(292)</u>
Changes in fund balances	<u>(185,246)</u>		<u>185,246</u>
Fund balances, beginning of year			
Fund balances (deficits), end of year	<u>\$ (185,246)</u>	<u>\$</u>	<u>\$ 185,246</u>

Special Education Grants			Adult Education		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	533,886	533,886		87,044	87,044
	533,886	533,886		87,044	87,044
196,448	178,782	17,666	17,084	16,502	582
398,610	362,765	35,845	68,037	65,721	2,316
12,503	11,379	1,124	10,915	10,543	372
1,087	989	98			
5,925	5,392	533			
614,573	559,307	55,266	96,036	92,766	3,270
(614,573)	(25,421)	589,152	(96,036)	(5,722)	90,314
	(25,308)	(25,308)		(3,268)	(3,268)
	(25,308)	(25,308)		(3,268)	(3,268)
(614,573)	(50,729)	563,844	(96,036)	(8,990)	87,046
\$ (614,573)	\$ (50,729)	\$ 563,844	\$ (96,036)	\$ (8,990)	\$ 87,046

(Continued)

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Medicaid Reimbursement		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 644	\$ 644
State aid and grants			
Federal aid, grants and reimbursements		74,267	74,267
Total revenues		<u>74,911</u>	<u>74,911</u>
Expenditures:			
Current -			
Instruction	19,744	8,915	10,829
Support services - students and staff	150,772	68,077	82,695
Support services - administration	5,758	2,600	3,158
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>176,274</u>	<u>79,592</u>	<u>96,682</u>
Excess (deficiency) of revenues over expenditures	<u>(176,274)</u>	<u>(4,681)</u>	<u>171,593</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Changes in fund balances	<u>(176,274)</u>	<u>(4,681)</u>	<u>171,593</u>
Fund balances, beginning of year		109,068	109,068
Fund balances (deficits), end of year	<u>\$ (176,274)</u>	<u>\$ 104,387</u>	<u>\$ 280,661</u>

E-Rate			Impact Aid		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	221,762	221,762		56,634	56,634
	221,762	221,762		56,634	56,634
25,961	43,931	(17,970)	43,364	39,771	3,593
214,728	186,366	28,362	3,796	3,481	315
11,311	19,140	(7,829)			
252,000	249,437	2,563	47,160	43,252	3,908
(252,000)	(27,675)	224,325	(47,160)	13,382	60,542
(252,000)	(27,675)	224,325	(47,160)	13,382	60,542
				1,734	1,734
\$ (252,000)	\$ (27,675)	\$ 224,325	\$ (47,160)	\$ 15,116	\$ 62,276

(Continued)

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Other Federal Projects		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		375,813	375,813
Total revenues		<u>375,813</u>	<u>375,813</u>
Expenditures:			
Current -			
Instruction	297,355	282,511	14,844
Support services - students and staff	114,730	109,003	5,727
Support services - administration	3,231	3,070	161
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay	1,875	1,781	94
Total expenditures	<u>417,191</u>	<u>396,365</u>	<u>20,826</u>
Excess (deficiency) of revenues over expenditures	<u>(417,191)</u>	<u>(20,552)</u>	<u>396,639</u>
Other financing sources (uses):			
Transfer in			
Transfer out		(20,823)	(20,823)
Total other financing sources (uses)		<u>(20,823)</u>	<u>(20,823)</u>
Changes in fund balances	<u>(417,191)</u>	<u>(41,375)</u>	<u>375,816</u>
Fund balances, beginning of year			
Fund balances (deficits), end of year	<u>\$ (417,191)</u>	<u>\$ (41,375)</u>	<u>\$ 375,816</u>

Adult Basic Education			Rural Assistance		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	87,285	87,285		31,629	31,629
	87,285	87,285		31,629	31,629
39,193	38,671	522			
46,463	45,843	620		14,990	(14,990)
526	519	7		2,000	(2,000)
2,282	2,252	30			
88,464	87,285	1,179		16,990	(16,990)
(88,464)		88,464		14,639	14,639
(88,464)		88,464		14,639	14,639
\$ (88,464)	\$	\$ 88,464	\$	\$ 14,639	\$ 14,639

(Continued)

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Other State Projects		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants		162,622	162,622
Federal aid, grants and reimbursements			
Total revenues		162,622	162,622
Expenditures:			
Current -			
Instruction	96,078	81,082	14,996
Support services - students and staff	36,022	30,400	5,622
Support services - administration	4,259	3,594	665
Operation and maintenance of plant services			
Student transportation services	352	297	55
Operation of non-instructional services			
Capital outlay	55,988	47,249	8,739
Total expenditures	192,699	162,622	30,077
Excess (deficiency) of revenues over expenditures	(192,699)		192,699
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Changes in fund balances	(192,699)		192,699
Fund balances, beginning of year			
Fund balances (deficits), end of year	\$ (192,699)	\$	\$ 192,699

School Plant			Food Service		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 1,957	\$ 1,957	\$	\$ 56,390	\$ 56,390
				1,946,845	1,946,845
	1,957	1,957		2,003,235	2,003,235
33,900		33,900	1,865	1,775	90
			45,897	43,678	2,219
			1,878,699	1,787,861	90,838
			73,539	69,983	3,556
33,900		33,900	2,000,000	1,903,297	96,703
(33,900)	1,957	35,857	(2,000,000)	99,938	2,099,938
				(58,945)	(58,945)
				(58,945)	(58,945)
(33,900)	1,957	35,857	(2,000,000)	40,993	2,040,993
	31,899	31,899		145,740	145,740
\$ (33,900)	\$ 33,856	\$ 67,756	\$ (2,000,000)	\$ 186,733	\$ 2,186,733

(Continued)

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Civic Center		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 97,199	\$ 97,199
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		97,199	97,199
Expenditures:			
Current -			
Instruction	31,213	47,527	(16,314)
Support services - students and staff	97	148	(51)
Support services - administration	6,289	9,576	(3,287)
Operation and maintenance of plant services	10,653	16,220	(5,567)
Student transportation services	7,517	11,445	(3,928)
Operation of non-instructional services			
Capital outlay	46,145	70,262	(24,117)
Total expenditures	101,914	155,178	(53,264)
Excess (deficiency) of revenues over expenditures	(101,914)	(57,979)	43,935
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Changes in fund balances	(101,914)	(57,979)	43,935
Fund balances, beginning of year		86,170	86,170
Fund balances (deficits), end of year	\$ (101,914)	\$ 28,191	\$ 130,105

Community School			Auxiliary Operations		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 40,925	\$ 40,925	\$	\$ 66,682	\$ 66,682
	<u>40,925</u>	<u>40,925</u>		<u>66,682</u>	<u>66,682</u>
22,195	14,141	8,054	14,973	10,003	4,970
14,244	9,076	5,168	62,675	41,871	20,804
5,083	3,239	1,844			
			940	628	312
			4,619	3,086	1,533
16,804	10,707	6,097			
<u>58,326</u>	<u>37,163</u>	<u>21,163</u>	<u>83,207</u>	<u>55,588</u>	<u>27,619</u>
<u>(58,326)</u>	<u>3,762</u>	<u>62,088</u>	<u>(83,207)</u>	<u>11,094</u>	<u>94,301</u>
	(1,963)	(1,963)			
	<u>(1,963)</u>	<u>(1,963)</u>			
<u>(58,326)</u>	<u>1,799</u>	<u>60,125</u>	<u>(83,207)</u>	<u>11,094</u>	<u>94,301</u>
	21,057	21,057		30,380	30,380
<u>\$ (58,326)</u>	<u>\$ 22,856</u>	<u>\$ 81,182</u>	<u>\$ (83,207)</u>	<u>\$ 41,474</u>	<u>\$ 124,681</u>

(Continued)

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Extracurricular Activities Fees Tax Credit		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 11,394	\$ 11,394
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		11,394	11,394
Expenditures:			
Current -			
Instruction	6,485	1,241	5,244
Support services - students and staff	11,330	2,168	9,162
Support services - administration			
Operation and maintenance of plant services			
Student transportation services	28,341	5,423	22,918
Operation of non-instructional services			
Capital outlay	1,761	337	1,424
Total expenditures	47,917	9,169	38,748
Excess (deficiency) of revenues over expenditures	(47,917)	2,225	50,142
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Changes in fund balances	(47,917)	2,225	50,142
Fund balances, beginning of year		36,886	36,886
Fund balances (deficits), end of year	\$ (47,917)	\$ 39,111	\$ 87,028

Gifts and Donations			Textbooks		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 53,577	\$ 53,577	\$	\$ 104	\$ 104
	<u>53,577</u>	<u>53,577</u>		<u>104</u>	<u>104</u>
20,405	12,076	8,329			
41,007	24,269	16,738	4,715	423	4,292
4,772	2,824	1,948			
11,901	7,043	4,858			
18,823	11,140	7,683			
<u>96,908</u>	<u>57,352</u>	<u>39,556</u>	<u>4,715</u>	<u>423</u>	<u>4,292</u>
<u>(96,908)</u>	<u>(3,775)</u>	<u>93,133</u>	<u>(4,715)</u>	<u>(319)</u>	<u>4,396</u>
<u>(96,908)</u>	<u>(3,775)</u>	<u>93,133</u>	<u>(4,715)</u>	<u>(319)</u>	<u>4,396</u>
	61,887	61,887		4,695	4,695
<u>\$ (96,908)</u>	<u>\$ 58,112</u>	<u>\$ 155,020</u>	<u>\$ (4,715)</u>	<u>\$ 4,376</u>	<u>\$ 9,091</u>

(Continued)

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Litigation Recovery		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 100	\$ 100
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		100	100
Expenditures:			
Current -			
Instruction	3,275		3,275
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	3,275		3,275
Excess (deficiency) of revenues over expenditures	(3,275)	100	3,375
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Changes in fund balances	(3,275)	100	3,375
Fund balances, beginning of year		3,176	3,176
Fund balances (deficits), end of year	\$ (3,275)	\$ 3,276	\$ 6,551

Indirect Costs			Insurance Refund		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 1,353	\$ 1,353	\$	\$ 7,779	\$ 7,779
	1,353	1,353		7,779	7,779
			18,900		18,900
158,576	123,287	35,289			
158,576	123,287	35,289	18,900		18,900
(158,576)	(121,934)	36,642	(18,900)	7,779	26,679
	205,556	205,556			
	205,556	205,556			
(158,576)	83,622	242,198	(18,900)	7,779	26,679
	312,886	312,886		11,075	11,075
\$ (158,576)	\$ 396,508	\$ 555,084	\$ (18,900)	\$ 18,854	\$ 37,754

(Continued)

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Totals		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 346,013	\$ 346,013
State aid and grants		1,649,182	1,649,182
Federal aid, grants and reimbursements		5,125,668	5,125,668
Total revenues		<u>7,120,863</u>	<u>7,120,863</u>
Expenditures:			
Current -			
Instruction	3,320,400	2,647,772	672,628
Support services - students and staff	1,856,336	1,658,516	197,820
Support services - administration	539,826	466,327	73,499
Operation and maintenance of plant services	309,224	249,674	59,550
Student transportation services	62,701	35,956	26,745
Operation of non-instructional services	1,895,503	1,798,568	96,935
Capital outlay	268,752	279,059	(10,307)
Total expenditures	<u>8,252,742</u>	<u>7,135,872</u>	<u>1,116,870</u>
Excess (deficiency) of revenues over expenditures	<u>(8,252,742)</u>	<u>(15,009)</u>	<u>8,237,733</u>
Other financing sources (uses):			
Transfer in		205,556	205,556
Transfer out		(207,519)	(207,519)
Total other financing sources (uses)		<u>(1,963)</u>	<u>(1,963)</u>
Changes in fund balances	<u>(8,252,742)</u>	<u>(16,972)</u>	<u>8,235,770</u>
Fund balances, beginning of year		1,290,958	1,290,958
Fund balances (deficits), end of year	<u>\$ (8,252,742)</u>	<u>\$ 1,273,986</u>	<u>\$ 9,526,728</u>

CAPITAL PROJECTS FUNDS

Insurance Proceeds - to account for the monies received from insurance claims.

Unrestricted Capital Outlay - to account for transactions relating to the acquisition of capital items.

Bond Building - to account for proceeds from District bond issues that are expended on the acquisition or lease of sites; construction or renovation of school buildings; supplying school buildings with furniture, equipment, and technology; improving school grounds; or purchasing pupil transportation vehicles.

Gifts and Donations - Capital - to account for gifts and donations to be expended for capital acquisitions.

Energy and Water Savings - to account for capital investment monies, energy related rebate, or grant monies, and monies from other funding sources to fund energy or water savings projects in school facilities in accordance with A.R.S. §15-910.02.

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SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
COMBINING BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2018

	<u>Bond Building</u>	<u>Gifts and Donations - Capital</u>	<u>Totals</u>
<u>ASSETS</u>			
Cash and investments	\$ 215	\$	\$ 215
Due from other funds		6,163	6,163
Cash and investments - restricted	16,563		16,563
Total assets	<u>\$ 16,778</u>	<u>\$ 6,163</u>	<u>\$ 22,941</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Fund balances:			
Restricted	\$ 16,778	\$ 6,163	\$ 22,941
Total fund balances	<u>16,778</u>	<u>6,163</u>	<u>22,941</u>
Total liabilities and fund balances	<u>\$ 16,778</u>	<u>\$ 6,163</u>	<u>\$ 22,941</u>

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2018

	<u>Bond Building</u>	<u>Gifts and Donations - Capital</u>	<u>Energy and Water Savings</u>
Revenues:			
Other local	\$	\$ 34	\$
Federal aid, grants and reimbursements			104,536
Total revenues		<u>34</u>	<u>104,536</u>
Expenditures:			
Capital outlay	92,395		1,250
Debt service -			
Principal retirement			241,791
Interest and fiscal charges			135,515
Total expenditures	<u>92,395</u>		<u>378,556</u>
Excess (deficiency) of revenues over expenditures	<u>(92,395)</u>	<u>34</u>	<u>(274,020)</u>
Other financing sources (uses):			
Transfer in			274,020
Total other financing sources (uses)			<u>274,020</u>
Changes in fund balances	<u>(92,395)</u>	<u>34</u>	
Fund balances, beginning of year	109,173	6,129	
Fund balances, end of year	<u>\$ 16,778</u>	<u>\$ 6,163</u>	<u>\$</u>

Totals	
\$	34
	104,536
	<u>104,570</u>

93,645

241,791
<u>135,515</u>
<u>470,951</u>

(366,381)

<u>274,020</u>
<u>274,020</u>

(92,361)

115,302

<u>\$</u>	<u>22,941</u>
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SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2018

	Insurance Proceeds		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 36	\$ 36
Property taxes			
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		36	36
Expenditures:			
Current -			
Operation and maintenance of plant services	27,000	12,644	14,356
Capital outlay			
Debt service -			
Principal retirement			
Interest and fiscal charges			
Total expenditures	27,000	12,644	14,356
Excess (deficiency) of revenues over expenditures	(27,000)	(12,608)	14,392
Other financing sources (uses):			
Transfer in			
Insurance Recoveries		20,435	20,435
Total other financing sources (uses)		20,435	20,435
Changes in fund balances	(27,000)	7,827	34,827
Fund balances, beginning of year		1,983	1,983
Fund balances (deficits), end of year	\$ (27,000)	\$ 9,810	\$ 36,810

Unrestricted Capital Outlay			Bond Building		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 11,852 1,301,127 161,753	\$ 11,852 1,301,127 161,753	\$	\$	\$
	<u>1,474,732</u>	<u>1,474,732</u>			
2,059,342	2,044,906	14,436	109,173	92,395	16,778
135,000	135,000				
<u>2,194,342</u>	<u>2,179,906</u>	<u>14,436</u>	<u>109,173</u>	<u>92,395</u>	<u>16,778</u>
<u>(2,194,342)</u>	<u>(705,174)</u>	<u>1,489,168</u>	<u>(109,173)</u>	<u>(92,395)</u>	<u>16,778</u>
<u>(2,194,342)</u>	<u>(705,174)</u>	<u>1,489,168</u>	<u>(109,173)</u>	<u>(92,395)</u>	<u>16,778</u>
	537,742	537,742		109,173	109,173
<u>\$ (2,194,342)</u>	<u>\$ (167,432)</u>	<u>\$ 2,026,910</u>	<u>\$ (109,173)</u>	<u>\$ 16,778</u>	<u>\$ 125,951</u>

(Continued)

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2018

	Gifts and Donations - Capital		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 34	\$ 34
Property taxes			
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		34	34
Expenditures:			
Current -			
Operation and maintenance of plant services			
Capital outlay	6,129		6,129
Debt service -			
Principal retirement			
Interest and fiscal charges			
Total expenditures	6,129		6,129
Excess (deficiency) of revenues over expenditures	(6,129)	34	6,163
Other financing sources (uses):			
Transfer in			
Insurance Recoveries			
Total other financing sources (uses)			
Changes in fund balances	(6,129)	34	6,163
Fund balances, beginning of year		6,129	6,129
Fund balances (deficits), end of year	\$ (6,129)	\$ 6,163	\$ 12,292

Energy and Water Savings			Totals		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$ 11,922	\$ 11,922
				1,301,127	1,301,127
				161,753	161,753
	104,536	104,536		104,536	104,536
	104,536	104,536		1,579,338	1,579,338
1,250	1,250		27,000	12,644	14,356
			2,175,894	2,138,551	37,343
241,791	241,791		376,791	376,791	
135,515	135,515		135,515	135,515	
378,556	378,556		2,715,200	2,663,501	51,699
(378,556)	(274,020)	104,536	(2,715,200)	(1,084,163)	1,631,037
	274,020	274,020		274,020	274,020
	274,020	274,020		20,435	20,435
				294,455	294,455
(378,556)		378,556	(2,715,200)	(789,708)	1,925,492
				655,027	655,027
\$ (378,556)	\$	\$ 378,556	\$ (2,715,200)	\$ (134,681)	\$ 2,580,519

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AGENCY FUNDS

Student Activities - to account for monies raised by students to finance student clubs and organizations but held by the District as an agent.

Employee Insurance - to account for unremitted employee insurance payroll deductions held by the District as an agent.

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
COMBINING STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2018**

	<u>Student Activities</u>	<u>Employee Insurance</u>	<u>Totals</u>
<u>ASSETS</u>			
Cash and investments	\$ 73,585	\$ 335,976	\$ 409,561
Total assets	<u>\$ 73,585</u>	<u>\$ 335,976</u>	<u>\$ 409,561</u>
<u>LIABILITIES</u>			
Deposits held for others	\$	\$ 335,976	\$ 335,976
Due to student groups	73,585		73,585
Total liabilities	<u>\$ 73,585</u>	<u>\$ 335,976</u>	<u>\$ 409,561</u>

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
YEAR ENDED JUNE 30, 2018

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<u>STUDENT ACTIVITIES FUND</u>				
<u>Assets</u>				
Cash and investments	\$ <u>63,744</u>	\$ <u>173,313</u>	\$ <u>163,472</u>	\$ <u>73,585</u>
Total assets	\$ <u><u>63,744</u></u>	\$ <u><u>173,313</u></u>	\$ <u><u>163,472</u></u>	\$ <u><u>73,585</u></u>
<u>Liabilities</u>				
Due to student groups	\$ <u>63,744</u>	\$ <u>173,313</u>	\$ <u>163,472</u>	\$ <u>73,585</u>
Total liabilities	\$ <u><u>63,744</u></u>	\$ <u><u>173,313</u></u>	\$ <u><u>163,472</u></u>	\$ <u><u>73,585</u></u>
<u>EMPLOYEE INSURANCE FUND</u>				
<u>Assets</u>				
Cash and investments	\$ <u>342,180</u>	\$ <u>1,957,197</u>	\$ <u>1,963,401</u>	\$ <u>335,976</u>
Total assets	\$ <u><u>342,180</u></u>	\$ <u><u>1,957,197</u></u>	\$ <u><u>1,963,401</u></u>	\$ <u><u>335,976</u></u>
<u>Liabilities</u>				
Deposits held for others	\$ <u>342,180</u>	\$ <u>1,957,197</u>	\$ <u>1,963,401</u>	\$ <u>335,976</u>
Total liabilities	\$ <u><u>342,180</u></u>	\$ <u><u>1,957,197</u></u>	\$ <u><u>1,963,401</u></u>	\$ <u><u>335,976</u></u>
<u>TOTAL AGENCY FUNDS</u>				
<u>Assets</u>				
Cash and investments	\$ <u>405,924</u>	\$ <u>2,130,510</u>	\$ <u>2,126,873</u>	\$ <u>409,561</u>
Total assets	\$ <u><u>405,924</u></u>	\$ <u><u>2,130,510</u></u>	\$ <u><u>2,126,873</u></u>	\$ <u><u>409,561</u></u>
<u>Liabilities</u>				
Deposits held for others	\$ <u>342,180</u>	\$ <u>1,957,197</u>	\$ <u>1,963,401</u>	\$ <u>335,976</u>
Due to student groups	<u>63,744</u>	<u>173,313</u>	<u>163,472</u>	<u>73,585</u>
Total liabilities	\$ <u><u>405,924</u></u>	\$ <u><u>2,130,510</u></u>	\$ <u><u>2,126,873</u></u>	\$ <u><u>409,561</u></u>

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STATISTICAL SECTION

The statistical section presents financial statement trends as well as detailed financial and operational information not available elsewhere in the report. The statistical section is intended to enhance the reader's understanding of the information presented in the financial statements, notes to the financial statements, and other supplementary information presented in this report. The statistical section is comprised of the five categories of statistical information presented below.

Financial Trends

These schedules contain information on financial trends to help the reader understand how the District's financial position and financial activities have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the District's ability to generate revenue.

Debt Capacity

These schedules present information to help the reader evaluate the District's current levels of outstanding debt as well as assess the District's ability make debt payments and/or issue additional debt in the future.

Demographic and Economic Information

These schedules present various demographic and economic indicators to help the reader understand the environment in which the District's financial activities take place and to help make comparisons with other school districts.

Operating Information

These schedules contain information about the District's operations and various resources to help the reader draw conclusions as to how the District's financial information relates to the services provided by the District.

Note: For locally assessed property (i.e., excluding mines, utilities, etc.) Proposition 117, approved by voters in 2012, amended the Arizona Constitution to require that all property taxes after fiscal year 2014-15 be based upon property values limited to five percent in annual growth. The aggregate assessed value of all taxable properties within a taxing jurisdiction (i.e., after applying assessment ratios based on the use of a property), including property values with a growth limit, is currently referred to as net limited assessed value and formerly as primary assessed value. In accordance with Proposition 117, this value is used for all taxing purposes beginning fiscal year 2015-16. Aggregate assessed value without a growth limit is currently referred to as net full cash assessed value and formerly as secondary assessed value. This remains the value utilized for determining debt capacity limits.

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SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30					
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	
Net Position:						
Net investment in capital assets						
Restricted	\$ 28,289,039	\$ 27,331,950	\$ 25,829,583	\$ 26,309,187	\$ 25,585,686	
Unrestricted	799,662	1,411,932	1,878,046	1,497,474	1,871,833	
Total net position	(16,813,518)	(17,535,853)	(17,579,403)	(17,209,286)	3,899,500	
	<u>\$ 12,275,183</u>	<u>\$ 11,208,029</u>	<u>\$ 10,128,226</u>	<u>\$ 10,597,375</u>	<u>\$ 31,357,019</u>	
Net Position:						
Net investment in capital assets						
Restricted	\$ 25,629,201	\$ 25,146,293	\$ 26,320,712	\$ 24,717,157	\$ 24,906,431	
Unrestricted	1,822,656	2,232,078	2,115,909	1,856,369	1,534,802	
Total net position	3,945,743	4,006,023	3,917,164	3,284,639	1,488,975	
	<u>\$ 31,397,600</u>	<u>\$ 31,384,394</u>	<u>\$ 32,353,785</u>	<u>\$ 29,858,165</u>	<u>\$ 27,930,208</u>	

Source: The source of this information is the District's financial records.

Note: The decrease in unrestricted net position during fiscal year 2015 is due to the implementation of the pension reporting standards.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30			
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Expenses				<u>2014</u>
Instruction	\$ 11,191,005	\$ 10,405,754	\$ 10,671,007	\$ 10,540,636
Support services - students and staff	2,766,600	2,800,356	2,812,949	2,551,475
Support services - administration	3,035,116	2,925,715	2,766,137	2,708,177
Operation and maintenance of plant services	3,204,051	2,837,308	2,817,801	2,829,629
Student transportation services	668,428	600,158	663,345	773,000
Operation of non-instructional services	1,854,697	1,987,900	1,854,706	1,792,877
Interest on long-term debt	220,614	198,590	182,638	216,398
Total expenses	<u>22,940,511</u>	<u>21,755,781</u>	<u>21,768,583</u>	<u>21,412,192</u>
				<u>20,153,399</u>
Program Revenues				
Charges for services:				
Instruction	164,118	66,420	181,919	61,433
Operation of non-instructional services	56,115	123,541	119,708	77,593
Other activities	55,386	92,897	77,491	95,229
Operating grants and contributions	5,682,417	5,580,612	5,300,142	5,175,783
Capital grants and contributions	178,658	112,647	233,494	45,278
Total program revenues	<u>6,136,694</u>	<u>5,976,117</u>	<u>5,912,754</u>	<u>5,455,316</u>
				<u>5,664,100</u>
Net (Expense)/Revenue	<u>\$ (16,803,817)</u>	<u>\$ (15,779,664)</u>	<u>\$ (15,855,829)</u>	<u>\$ (15,956,876)</u>
				<u>\$ (14,489,299)</u>

(Continued)

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Expenses					
Instruction	\$ 9,295,422	\$ 9,854,917	\$ 10,396,237	\$ 10,390,379	\$ 9,688,831
Support services - students and staff	2,649,586	2,828,253	2,795,227	3,030,121	2,550,184
Support services - administration	2,458,963	2,535,624	2,547,311	2,395,008	2,632,660
Operation and maintenance of plant services	2,799,563	2,841,260	2,793,644	2,486,582	2,251,630
Student transportation services	714,715	798,190	795,344	851,471	699,991
Operation of non-instructional services	1,625,157	1,560,992	1,498,370	1,459,521	1,415,193
Interest on long-term debt	390,232	92,562	103,438	117,315	129,465
Total expenses	<u>19,933,638</u>	<u>20,511,798</u>	<u>20,929,571</u>	<u>20,730,397</u>	<u>19,367,954</u>
Program Revenues					
Charges for services:					
Instruction	84,599	302,718	33,563	57,967	11,479
Operation of non-instructional services	76,695	52,930	71,200	75,340	92,971
Other activities	192,072	169,053	114,769	42,747	47,003
Operating grants and contributions	5,652,340	5,143,812	6,325,688	6,219,178	5,452,002
Capital grants and contributions	100,412	159,644	2,398,323	384,908	158,054
Total program revenues	<u>6,106,118</u>	<u>5,828,157</u>	<u>8,943,543</u>	<u>6,780,140</u>	<u>5,761,509</u>
Net (Expense)/Revenue	<u>\$ (13,827,520)</u>	<u>\$ (14,683,641)</u>	<u>\$ (11,986,028)</u>	<u>\$ (13,950,257)</u>	<u>\$ (13,606,445)</u>

Source: The source of this information is the District's financial records.

(Concluded)

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30			
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Net (Expense)/Revenue				
\$ (16,803,817)	\$ (15,779,664)	\$ (15,855,829)	\$ (15,956,876)	\$ (14,489,299)
General Revenues:				
Taxes:				
Property taxes, levied for general purposes	1,176,216	722,320	2,449	905,968
Property taxes, levied for debt service			283,428	502,294
Property taxes, levied for capital outlay	1,335,644	1,184,079	1,238,233	1,181,489
Investment income	12,250	6,916	8,402	26,111
Unrestricted county aid	531,172	535,916	525,969	14,907
Unrestricted state aid	14,681,613	14,279,936	13,191,188	548,762
Unrestricted federal aid	130,901	130,300	137,011	12,395,305
Total general revenues	<u>17,867,796</u>	<u>16,859,467</u>	<u>15,386,680</u>	<u>14,673,128</u>
				14,448,718
Changes in Net Position				
\$ 1,063,979	\$ 1,079,803	\$ (469,149)	\$ (1,283,748)	\$ (40,581)

(Continued)

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Net (Expense)/Revenue	\$ (13,827,520)	\$ (14,683,641)	\$ (11,986,028)	\$ (13,950,257)	\$ (13,606,445)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	1,084,931	1,176,053	1,408,842	1,712,320	1,591,450
Property taxes, levied for debt service	540,072	421,367	500,626	494,687	640,676
Property taxes, levied for capital outlay	13,697	19,866	173,113	140,463	66,009
Investment income	25,987	27,907	31,882	42,178	55,998
Unrestricted county aid	500,522	461,786	376,124	313,545	
Unrestricted state aid	11,552,231	11,475,957	11,752,217	11,505,292	12,263,677
Unrestricted federal aid	123,286	131,314	238,844	1,669,729	111,738
Total general revenues	<u>13,840,726</u>	<u>13,714,250</u>	<u>14,481,648</u>	<u>15,878,214</u>	<u>14,729,548</u>
Changes in Net Position	<u>\$ 13,206</u>	<u>\$ (969,391)</u>	<u>\$ 2,495,620</u>	<u>\$ 1,927,957</u>	<u>\$ 1,123,103</u>

Source: The source of this information is the District's financial records.

Note: The Arizona State Legislature suspended county equalization payments to school districts for fiscal year 2008-09.

(Concluded)

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
General Fund:					
Unassigned	\$ 1,438,758	\$ 1,205,073	\$ 1,149,593	\$ 2,558,173	\$ 3,596,976
Total General Fund	<u>\$ 1,438,758</u>	<u>\$ 1,205,073</u>	<u>\$ 1,149,593</u>	<u>\$ 2,558,173</u>	<u>\$ 3,596,976</u>
All Other Governmental Funds:					
Restricted	\$ 816,440	\$ 1,454,859	\$ 1,778,173	\$ 1,462,069	\$ 1,830,204
Unassigned	<u>(296,201)</u>	<u></u>	<u>(39,490)</u>	<u>(21,562)</u>	<u>(47,753)</u>
Total all other governmental funds	<u>\$ 520,239</u>	<u>\$ 1,454,859</u>	<u>\$ 1,738,683</u>	<u>\$ 1,440,507</u>	<u>\$ 1,782,451</u>

(Continued)

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
General Fund:					
Nonspendable	\$	\$	\$ 182,761	\$	\$
Unassigned	3,478,296	3,496,677	3,430,578	185,078	195,344
Reserved				1,501,449	208,545
Unreserved				<u>\$ 1,686,527</u>	<u>\$ 403,889</u>
Total General Fund	<u>\$ 3,478,296</u>	<u>\$ 3,496,677</u>	<u>\$ 3,613,339</u>	<u>\$ 3,086,766</u>	<u>\$ 2,387,697</u>
All Other Governmental Funds:					
Restricted	\$ 1,858,042	\$ 2,274,406	\$ 2,067,674	\$	\$
Reserved					13,434
Unreserved, reported in:					
Special revenue funds				1,270,233	848,617
Capital projects funds				1,357,645	1,048,080
Debt service fund				458,888	477,566
Total all other governmental funds	<u>\$ 1,785,833</u>	<u>\$ 2,203,633</u>	<u>\$ 2,067,674</u>	<u>\$ 3,086,766</u>	<u>\$ 2,387,697</u>

Source: The source of this information is the District's financial records.

Note: The provisions of the Governmental Accounting Standards Board (GASB) Statement No. 54 were adopted in fiscal year 2011. The standard replaces the previous reserved and unreserved fund balance categories with the following five fund balance classifications: nonspendable, restricted, committed, assigned, and unassigned fund balance.

(Concluded)

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
GOVERNMENTAL FUNDS REVENUES
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Federal sources:					
Federal grants	\$ 3,479,974	\$ 3,468,825	\$ 3,497,057	\$ 3,308,731	\$ 3,395,455
Impact Aid	56,634	58,532	65,190	87,850	82,798
Education Jobs					
National School Lunch Program	1,946,845	2,015,281	1,879,326	1,767,111	1,791,049
Total federal sources	<u>5,483,453</u>	<u>5,542,638</u>	<u>5,441,573</u>	<u>5,163,692</u>	<u>5,269,302</u>
State sources:					
State equalization assistance	13,282,338	13,034,396	12,060,541	11,340,689	11,330,161
State grants	281,536	203,823	170,073	214,523	301,141
School Facilities Board		87,700	28,957		
Other revenues	1,376,496	1,157,840	1,130,647	1,054,622	921,477
Total state sources	<u>14,940,370</u>	<u>14,483,759</u>	<u>13,390,218</u>	<u>12,609,834</u>	<u>12,552,779</u>
Local sources:					
Property taxes	2,450,942	1,888,348	1,459,642	1,632,181	1,415,296
County aid	531,172	535,916	525,969	548,762	530,088
Food service sales	56,115	63,765	57,017	51,174	58,442
Investment income	12,250	6,916	8,402	14,918	14,907
Other revenues	291,693	302,106	346,230	200,070	329,914
Total local sources	<u>3,342,172</u>	<u>2,797,051</u>	<u>2,397,260</u>	<u>2,447,105</u>	<u>2,348,647</u>
Total revenues	<u>\$ 23,765,995</u>	<u>\$ 22,823,448</u>	<u>\$ 21,229,051</u>	<u>\$ 20,220,631</u>	<u>\$ 20,170,728</u>

(Continued)

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
GOVERNMENTAL FUNDS REVENUES
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Federal sources:					
Federal grants	\$ 3,766,792	\$ 3,653,847	\$ 6,528,299	\$ 4,625,913	\$ 3,610,762
Impact Aid	81,384	91,537	106,966	85,412	111,738
State Fiscal Stabilization (ARRA)			131,878	1,584,317	
Education Jobs		7,144	465,446		
National School Lunch Program	1,638,301	1,555,055	1,452,109	1,610,746	1,441,077
Total federal sources	<u>5,486,477</u>	<u>5,307,583</u>	<u>8,684,698</u>	<u>7,906,388</u>	<u>5,163,577</u>
State sources:					
State equalization assistance	10,471,560	10,640,100	10,963,512	10,648,296	11,408,749
State grants	314,253	201,818	105,935	285,298	428,105
School Facilities Board			137,333	123,777	2,600
Other revenues	1,026,840	752,857	670,245	714,346	853,364
Total state sources	<u>11,812,653</u>	<u>11,594,775</u>	<u>11,877,025</u>	<u>11,771,717</u>	<u>12,692,818</u>
Local sources:					
Property taxes	1,621,562	1,677,457	2,091,838	2,219,175	2,292,712
County aid	500,522	461,786	376,124	313,545	
Food service sales	46,335	52,930	51,511	51,124	57,430
Investment income	25,987	27,907	31,882	42,178	55,998
Other revenues	359,184	480,140	340,243	252,320	459,385
Total local sources	<u>2,553,590</u>	<u>2,700,220</u>	<u>2,891,598</u>	<u>2,878,342</u>	<u>2,865,525</u>
Total revenues	<u>\$ 19,852,720</u>	<u>\$ 19,602,578</u>	<u>\$ 23,453,321</u>	<u>\$ 22,556,447</u>	<u>\$ 20,721,920</u>

Source: The source of this information is the District's financial records.

Note: The Arizona State Legislature suspended county equalization payments to school districts for fiscal year 2008-09.

(Concluded)

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30			
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Expenditures:				
Current -				
Instruction	\$ 10,451,243	\$ 10,107,260	\$ 9,490,058	\$ 9,170,133
Support services - students and staff	2,836,684	2,897,989	2,732,377	2,412,512
Support services - administration	3,022,407	2,979,252	2,681,654	2,578,428
Operation and maintenance of plant services	2,823,072	2,479,279	2,392,334	2,385,050
Student transportation services	508,805	503,024	454,968	539,660
Operation of non-instructional services	1,830,139	1,993,450	1,827,573	1,759,406
Capital outlay	2,417,610	2,656,871	2,043,577	2,418,775
Debt service -				
Interest and fiscal charges	220,614	198,590	182,638	216,398
Principal retirement	376,791	1,106,517	1,259,962	1,050,047
Total expenditures	\$ 24,487,365	\$ 24,922,232	\$ 23,065,141	\$ 22,530,409
Expenditures for capitalized assets	\$ 2,222,569	\$ 1,987,114	\$ 911,139	\$ 1,148,635
Debt service as a percentage of noncapital expenditures	3%	6%	7%	6%
				5%

(Continued)

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Expenditures:					
Current -					
Instruction	\$ 8,684,392	\$ 8,521,358	\$ 8,668,868	\$ 9,150,219	\$ 9,370,489
Support services - students and staff	2,647,245	2,732,902	2,735,636	2,902,924	2,701,230
Support services - administration	2,439,103	2,452,570	2,449,803	2,291,486	2,532,122
Operation and maintenance of plant services	2,483,557	2,423,410	2,605,720	2,341,395	2,406,496
Student transportation services	587,192	574,298	551,927	631,348	617,536
Operation of non-instructional services	1,605,848	1,521,011	1,466,578	1,403,493	1,468,016
Capital outlay	700,652	4,628,038	3,604,233	1,327,860	1,128,765
Debt service -					
Interest and fiscal charges	390,232	92,562	103,438	117,315	129,465
Principal retirement	750,680	582,681	452,901	385,000	355,000
Total expenditures	<u>\$ 20,288,901</u>	<u>\$ 23,528,830</u>	<u>\$ 22,639,104</u>	<u>\$ 20,551,040</u>	<u>\$ 20,709,119</u>
Expenditures for capitalized assets	\$ 749,891	\$ 3,709,036	\$ 3,099,747	\$ 424,595	\$ 407,070
Debt service as a percentage of noncapital expenditures	6%	3%	3%	2%	2%

Source: The source of this information is the District's financial records.

(Concluded)

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
OTHER FINANCING SOURCES AND USES AND NET CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Excess (deficiency) of revenues over expenditures	\$ (721,370)	\$ (2,098,784)	\$ (1,836,090)	\$ (2,309,778)	\$ 115,298
Other financing sources (uses):					
Capital lease agreements		1,870,440	725,686	929,031	506,803
Transfers in	481,539	484,780	474,504	449,937	(506,803)
Transfers out	(481,539)	(484,780)	(474,504)	(449,937)	
Insurance recoveries	20,435				
Total other financing sources (uses)	20,435	1,870,440	725,686	929,031	
Changes in fund balances	\$ (700,935)	\$ (228,344)	\$ (1,110,404)	\$ (1,380,747)	\$ 115,298
Excess (deficiency) of revenues over expenditures	\$ (436,181)	\$ (3,926,252)	\$ 814,217	\$ 2,005,407	\$ 12,801
Other financing sources (uses):					
Capital lease agreements		4,128,310	95,820	149,136	73,799
Transfers in	182,222	136,780	188,142	(149,136)	(73,799)
Transfers out	(182,222)	(136,780)	(188,142)		
Total other financing sources (uses)		4,128,310	95,820		
Changes in fund balances	\$ (436,181)	\$ 202,058	\$ 910,037	\$ 2,005,407	\$ 12,801

Source: The source of this information is the District's financial records.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NET LIMITED ASSESSED VALUE AND FULL CASH VALUE OF TAXABLE PROPERTY BY CLASS
LAST TEN FISCAL YEARS

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Commercial, Industrial, Utilities and Mining	\$ 9,296,642	\$ 9,372,600	\$ 9,564,117	\$ 9,502,432	\$ 10,283,237
Agricultural and Vacant	8,208,256	8,448,964	9,820,135	9,827,665	10,185,325
Residential (Owner Occupied)	31,937,140	29,367,242	27,812,505	28,705,708	30,882,679
Residential (Rental)	10,176,855	8,882,120	8,069,762	5,876,558	5,749,744
Railroad, Private Cars and Airlines	259,896	218,622	217,435	223,300	173,708
Total	\$ 59,878,789	\$ 56,289,548	\$ 55,483,954	\$ 54,135,663	\$ 57,274,693
Gross Full Cash Value	\$ 721,973,982	\$ 644,676,351	\$ 515,010,137	\$ 594,489,129	\$ 620,349,276
Ratio of Net Limited Value to Gross Full Cash Value	8%	9%	11%	9%	9%
Total Direct Rate	4.66	3.75	2.66	2.81	2.93

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Commercial, Industrial, Utilities and Mining	\$ 10,293,591	\$ 10,670,351	\$ 10,488,758	\$ 10,638,509	\$ 12,414,773
Agricultural and Vacant	9,164,229	7,114,367	7,822,583	6,825,949	7,222,125
Residential (Owner Occupied)	36,260,476	39,948,787	42,755,497	39,536,777	29,885,490
Residential (Rental)	5,574,702	3,168,781	3,100,058	3,069,892	2,547,269
Railroad, Private Cars and Airlines	159,950	126,776	100,449	87,613	94,500
Certain Government Property Improvements					
Total	\$ 61,452,948	\$ 61,029,062	\$ 64,267,345	\$ 60,158,740	\$ 52,164,157
Gross Full Cash Value	\$ 678,940,015	\$ 764,348,055	\$ 834,335,534	\$ 860,537,263	\$ 710,746,468
Ratio of Net Limited Value to Gross Full Cash Value	9%	8%	8%	7%	7%
Total Direct Rate	3.08	3.22	4.09	4.52	5.47

Source: The source of this information is the State and County Abstract of the Assessment Roll, Arizona Department of Revenue.

Note: On November 6, 2012, voters approved Proposition 117, an amendment to the Arizona Constitution. Beginning with Tax Year 2015 (Fiscal Year 2016) both primary and secondary taxes are levied against the net limited assessed value. Primary taxes are used for general District operations. Secondary taxes are used to service District bonded debt requirements and other voter-approved overrides.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NET FULL CASH ASSESSED VALUE OF TAXABLE PROPERTY BY CLASS
LAST TEN FISCAL YEARS

Class	Fiscal Year				
	2018	2017	2016	2015	2014
Commercial, Industrial, Utilities and Mining	\$ 9,560,077	\$ 9,654,879	\$ 9,627,308	\$ 9,558,378	\$ 10,434,635
Agricultural and Vacant	8,853,833	9,183,276	10,513,691	10,549,132	11,316,858
Residential (Owner Occupied)	36,810,814	31,764,895	28,305,751	29,276,080	31,436,484
Residential (Rental)	12,030,373	10,050,175	8,359,240	5,956,836	5,787,485
Railroad, Private Cars and Airlines	298,581	232,093	220,974	224,999	175,020
Total	\$ 67,553,678	\$ 60,885,318	\$ 57,026,964	\$ 55,565,425	\$ 59,150,482
Gross Full Cash Value					
Ratio of Net Full Cash Value to Gross Full Cash Value	\$ 721,973,982	\$ 644,676,351	\$ 515,010,137	\$ 594,489,129	\$ 620,349,276
Estimated Net Full Cash Value	9%	9%	11%	9%	10%
Total Direct Rate	4.66	3.75	2.66	2.81	2.93

Class	Fiscal Year				
	2013	2012	2011	2010	2009
Commercial, Industrial, Utilities and Mining	\$ 10,699,218	\$ 11,316,174	\$ 11,655,983	\$ 11,562,069	\$ 13,643,535
Agricultural and Vacant	9,921,377	7,874,421	8,647,645	8,229,520	10,709,779
Residential (Owner Occupied)	37,770,649	43,108,717	49,518,299	53,009,845	39,433,816
Residential (Rental)	5,750,660	3,587,877	3,890,963	3,854,184	3,212,651
Railroad, Private Cars and Airlines	162,278	137,979	114,717	97,954	101,594
Certain Government Property Improvements					
Total	\$ 64,304,182	\$ 66,025,168	\$ 73,827,607	\$ 76,753,572	\$ 67,101,375
Gross Full Cash Value					
Ratio of Net Full Cash Value to Gross Full Cash Value	\$ 678,940,015	\$ 764,348,055	\$ 834,335,534	\$ 860,537,263	\$ 710,746,468
Estimated Net Full Cash Value	9%	9%	9%	9%	9%
Total Direct Rate	515,933,762	522,243,677	590,061,893	615,848,362	518,924,984
	3.08	3.22	4.09	4.52	5.47

Source: The source of this information is the State and County Abstract of the Assessment Roll, Arizona Department of Revenue.

Note: On November 6, 2012, voters approved Proposition 117, an amendment to the Arizona Constitution. Beginning with Tax Year 2015 (Fiscal Year 2016), both primary and secondary taxes are levied against the net limited assessed value. The net full cash assessed value is used for determining the District's bonding capacity and as the ceiling for net limited assessed value.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
PROPERTY TAX ASSESSMENT RATIOS
LAST TEN FISCAL YEARS

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Commercial, Industrial, Utilities and Mining	18 %	18 %	19 %	19 %	20 %
Agricultural and Vacant	15	15	16	16	16
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	15	14	15	16	15

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Commercial, Industrial, Utilities and Mining	20 %	20 %	21 %	22 %	23 %
Agricultural and Vacant	16	16	16	16	16
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	15	15	17	18	20

Source: The source of this information is the State and County Abstract of the Assessment Roll, Arizona Department of Revenue.

Note: Additional classes of property exist, but do not amount to a significant portion of the District's total valuation, therefore they are not included on this schedule.

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Overlapping Rates									
	State Equalization	County	County Free Library	Flood Control District	Community College District	Yuma Union High School District	City of Somerton	District Direct Rates		
								Primary	Secondary	Total
2018	0.49	2.50	0.90	0.28	2.49	2.70	1.69	2.49	2.17	4.66
2017	0.50	2.47	0.90	0.28	2.63	3.19	1.77	1.61	2.13	3.75
2016	0.51	2.41	0.90	0.28	2.55	2.77	1.75		2.66	2.66
2015	0.51	2.16	0.84	0.28	2.38	2.71	1.69		2.81	2.81
2014	0.00	2.06	0.84	0.28	2.22	2.78	0.00	2.08	0.85	2.93
2013	0.00	1.88	0.82	0.28	2.05	2.78	0.00	2.27	0.81	3.08
2012	0.00	1.88	0.80	0.28	1.95	3.00	0.00	2.55	0.67	3.22
2011	0.00	1.74	0.73	0.29	1.81	2.09	0.00	3.41	0.68	4.09
2010	0.00	1.75	0.73	0.29	1.83	2.15	0.00	3.90	0.62	4.52
2009	0.00	1.88	0.78	0.32	1.99	2.67	0.00	4.43	1.04	5.47

Source: The source of this information is the Property Tax Rates and Assessed Values, Arizona Tax Research Foundation.

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
PRINCIPAL PROPERTY TAXPAYERS
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

Taxpayer	2018			2009	
	Net Limited Assessed Valuation	Percentage of District's Net Limited Assessed Valuation		Net Full Cash Assessed Valuation	Percentage of District's Net Full Cash Valuation
Arizona Public Service Company	\$ 4,593,551	7.67 %		\$ 3,801,913	5.67 %
Comite De Bien Estar Inc. AZ Corp	434,483	0.73		390,807	
Southwest Gas Corporation	414,388	0.69		551,793	0.82
Union Pacific Railroad Co	265,274	0.44			
Verizon Wireless	261,436	0.44			
Qwest Corporation	237,422	0.40		756,373	1.13
Yuma/El Centro LLC	218,741	0.37			
Barkley Farms LTD Partnership	119,815	0.20			
Casa De Roman Pats Lihte AZ, LP	74,099	0.12			
Pen Holdings Real Estate FI LLC				594,577	0.89
Somerton Affordable Housing AZ, LP				567,184	0.85
Gemini Property Holdings Inc. AZ Corp				451,234	0.67
Martin Ronald A Trust				336,000	0.50
Kumlin Revocable Trust				333,200	0.50
Linton Management Inc.				325,727	0.49
Total	<u>\$ 6,619,209</u>	<u>11.06 %</u>		<u>\$ 8,108,808</u>	<u>11.52 %</u>

Source: The source of this information is the Yuma County Assessor's records.

Note: On November 6, 2012, voters approved Proposition 117, an amendment to the Arizona Constitution.

Beginning with Tax Year 2015 (Fiscal Year 2016), both primary and secondary taxes are levied against the net limited assessed value.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Fiscal Years	Collected to the End of the Current Fiscal Year	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2018	\$ 2,510,596	\$ 2,406,246	95.84 %	\$	\$ 2,406,246	95.84 %
2017	1,909,895	1,833,116	95.98	58,609	1,891,725	99.05
2016	1,480,086	1,410,760	95.32	46,381	1,457,141	98.45
2015	1,573,335	1,501,864	95.46	51,887	1,553,751	98.76
2014	1,443,202	1,345,943	93.26	78,001	1,423,944	98.67
2013	1,645,503	1,534,270	93.24	92,849	1,627,119	98.88
2012	1,694,408	1,585,339	93.56	106,811	1,692,150	99.87
2011	2,072,202	1,960,723	94.62	109,518	2,070,241	99.91
2010	2,269,071	2,092,808	92.23	176,263	2,269,071	100.00
2009	2,370,227	2,233,927	94.25	136,300	2,370,227	100.00

Source: The source of this information is the 2018 Yuma County Treasurer's records.

Notes: 1) Amounts collected are on a cash basis.

- 2) Unsecured personal property taxes are not included in this schedule because the dates of the monthly rolls vary each year. On the average, 90% of unsecured property taxes are collected within 90 days after the due date.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	General Obligation Bonds					Total Outstanding Debt					
	General Obligation Bonds	Less: Amounts Restricted for Principal	Percentage of		Capital Leases	Total	Percentage of		Per Capita	Percentage of Personal Income	
			Total	Estimated Actual Value (Full Cash Value)			Estimated Actual Value (Full Cash Value)	Actual Value (Full Cash Value)			
2018	\$	\$		%	\$	\$	0.56	%	\$	219	N/A %
2017						4,017,854	4,394,645	0.68		244	0.06
2016	485,000	485,000					4,115,722	0.80		230	0.06
2015	945,000	460,000			27	3,679,998	4,624,998	0.78		260	0.08
2014	1,390,000	445,000	485,000	0.08	53	3,341,014	4,731,014	0.76		266	0.09
2013	1,815,000	425,000	945,000	0.15	79	3,687,868	5,502,868	0.81		314	0.10
2012	2,235,000	401,267	1,390,000	0.20	107	4,013,518	6,248,518	0.82		363	0.11
2011	2,640,000	484,941	1,833,733	0.24	128	47,919	2,687,919	0.32		159	0.05
2010	3,025,000	488,583	2,155,059	0.26	150		3,025,000	0.35		179	0.06
2009	3,380,000	485,869	2,536,417	0.29	173		3,380,000	0.48		202	0.07
			2,894,131	0.41							

Source: The source of this information is the District's financial records.

Note: N/A indicates that the information is not available.

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2018**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable to School District</u>	<u>Estimated Amount Applicable to School District</u>
Overlapping:			
Arizona Western Community College	\$ 51,720,000	4.87 %	\$ 2,518,764
Yuma Union High School District No. 70	44,321,464	5.16	2,286,988
Subtotal, Overlapping Debt			<u>4,805,752</u>
Direct:			
Somerton Elementary School District No. 11			<u>4,017,854</u>
Total Direct and Overlapping Governmental Activities Debt			<u>\$ 8,823,606</u>

DIRECT AND OVERLAPPING GENERAL BONDED DEBT RATIOS

Net Direct General Obligation Bonded Debt		
As a Percentage of Net Limited Assessed Valuation		0 %
Net Direct and Overlapping General Bonded Debt		
Per Capita	\$ 262	
As a Percentage of Net Limited Assessed Valuation		8.03 %
As a Percentage of Gross Full Cash Value		0.67 %

Source: The source of this information is the District's records and the State and County Abstract of the Assessment Roll, Arizona Department of Revenue and the applicable governmental unit.

- Notes:** 1) Estimated percentage of debt outstanding applicable to the District is calculated based on a portion of the District's net limited assessed valuation as a percentage of the net limited assessed valuation of the overlapping jurisdiction.
- 2) Outstanding debt as of June 30, 2017 is presented for the overlapping governments as this is the most recent available information.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

Class B Bond Legal Debt Margin Calculation for Fiscal Year 2018:		Total Legal Debt Margin Calculation for Fiscal Year 2018:	
Net full cash assessed valuation	\$ 67,553,678	Net full cash assessed valuation	\$ 67,553,678
Debt limit (10% of assessed value)	6,755,368	Debt limit (15% of assessed value)	10,133,052
Debt applicable to limit		Debt applicable to limit	
Legal debt margin	<u>\$ 6,755,368</u>	Legal debt margin	<u>\$ 10,133,052</u>
Fiscal Year Ended June 30			
	<u>2018</u>	<u>2017</u>	<u>2015</u>
Debt Limit	\$ 10,133,052	\$ 9,132,798	\$ 8,334,814
Total net debt applicable to limit			\$ 8,872,572
Legal debt margin	<u>\$ 10,133,052</u>	<u>\$ 9,132,798</u>	<u>\$ 8,334,814</u>
Total net debt applicable to the limit as a percentage of debt limit	0%	0%	0%
Debt Limit	\$ 9,645,627	\$ 9,903,775	\$ 11,074,141
Total net debt applicable to limit			\$ 10,065,206
Legal debt margin	<u>\$ 9,645,627</u>	<u>\$ 9,903,775</u>	<u>\$ 11,513,036</u>
Total net debt applicable to the limit as a percentage of debt limit	0%	0%	0%

Source: The source of this information is the District's financial records.

Notes: 1) The District's general obligation bonds are subject to two limits: the Constitutional debt limit (total debt limit) on all general obligation bonds outstanding and the statutory debt limit on Class B bonds outstanding. The calculations of the debt margins are presented in detail for the current fiscal year only.

2) Prior to FY17, net bond premium was restricted by amount and not subject to the statutory debt limit. Beginning with FY17, any additional net premium used for capital projects, bond counsel, printing and preparation of offering documents, a financial advisor, paying agent costs or to pay down debt is counted against both debt limits with the exception of amounts of premium deposited into the Debt Service Fund or a refunding escrow to pay interest payments.

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
COUNTY-WIDE DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS**

Year	Population	Personal Income (thousands)	Per Capita Income	Unemployment Rate	Estimated District Population
2017	221,648	\$ N/A	\$ N/A	17.0 %	18,320
2016	217,730	6,860,818	33,365	18.6	18,025
2015	214,991	6,449,702	31,574	21.8	17,900
2014	212,012	5,841,652	28,742	23.3	17,775
2013	209,323	5,529,669	27,483	27.7	17,775
2012	200,022	5,399,670	26,995	34.5	17,500
2011	200,870	5,442,000	27,091	28.4	17,200
2010	195,751	5,300,165	26,928	25.2	16,900
2009	205,940	4,994,489	25,356	21.2	16,900
2008	203,779	4,840,484	25,041	16.9	16,716

Sources: The source of the "Personal Income" and "Per Capita" information is the Bureau of Economic Analysis. The source of the "Population" and "Unemployment Rate" information from 2008 through 2010 is the University of Arizona, Eller College of Management, Economic and Business Research Center. For 2011 through 2017, the source of the information is the Arizona Office of Employment and Population Statistics.

Note: N/A indicates that the information is not available.

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
PRINCIPAL EMPLOYERS
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

Employer	2018			2009	
	Employees	Percentage of Total Employment		Employees	Percentage of Total Employment
U.S. Marine Corps Air Station (UCAS)	4,723	6.59		1,350	1.72 %
U.S. Army Yuma Proving Ground	2,510	3.50	%	2,319	2.96
Yuma Regional Medical Center	1,991	2.78		2,080	2.65
Yuma School District #1	1,400	1.95		1,700	2.17
Yuma County	1,336	1.86		1,335	1.70
Date Pac, LLC	1,275	1.78			
TRAX	1,262	1.76			
City of Yuma	1,200	1.67		1,388	1.77
United States Border Patrol	1,000	1.39			
Yuma Union High School District	1,000	1.39		110	0.14
Crane Elementary School District No. 13	685	0.96		712	0.91
Grower's Company, Inc.				300	0.38
Salyer American Fresh				1,000	1.27
Dole Corporation				750	0.96
Paradise Casino				800	1.02
Toftex, Div. of Queen Carpet				447	0.57
Western Newspaper, Inc.				400	0.51
EMCO Harvesting Co. (seasonal)				130	0.17
Total	<u>18,382</u>	<u>25.63</u>	%	<u>14,821</u>	<u>18.90</u> %
Total employment	<u>71,704</u>			<u>78,475</u>	

Source: The source of this information is the Yuma County Chamber of Commerce and Greater Yuma Economic Development Corporation and Bureau of Labor Statistics.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE
LAST TEN FISCAL YEARS

	Full-time Equivalent Employees as of June 30				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Supervisory					
Superintendent/Principals	6	6	6	6	6
Assistant principals	3	3	3	3	2
Total supervisory	9	9	9	9	8
Instruction					
Teachers	146	144	142	141	137
Other teachers (adult)	2	2	2	2	2
Other professionals (instructional)	7	7	7	4	4
Aides	61	62	61	62	66
Total instruction	216	215	212	209	209
Student Services					
Counselors/Advisors	2	2	2	2	2
Librarians					
Nurses/Technicians	1	1	1	1	1
Total student services	3	3	3	3	3
Support and Administration					
Other classified	130	138	138	135	133
Total support and administration	130	138	138	135	133
Total	358	365	362	356	353

(Continued)

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE
LAST TEN FISCAL YEARS

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Supervisory					
Superintendent/Principals	6	6	5	5	5
Assistant principals	2	2	2	2	3
Total supervisory	<u>8</u>	<u>8</u>	<u>7</u>	<u>7</u>	<u>8</u>
Instruction					
Teachers	137	130	127	123	137
Other teachers (adult)	3	4	5	2	3
Other professionals (instructional)	6	2	2	2	2
Aides	65	61	64	57	57
Total instruction	<u>211</u>	<u>197</u>	<u>198</u>	<u>184</u>	<u>199</u>
Student Services					
Counselors/Advisors	3				
Librarians		3			
Nurses/Technicians	1	1			
Total student services	<u>4</u>	<u>4</u>			
Support and Administration					
Other classified	126	126	135	134	139
Total support and administration	<u>126</u>	<u>126</u>	<u>135</u>	<u>134</u>	<u>139</u>
Total	<u>349</u>	<u>335</u>	<u>340</u>	<u>325</u>	<u>346</u>

Source: The source of this information is District personnel records.

(Concluded)

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
OPERATING STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Average Daily Membership	Operating Expenditures	Cost per Pupil	Percentage Change	Expenses	Cost per Pupil	Percentage Change	Teaching Staff	Pupil- Teacher Ratio	Percentage of Free/Reduced Students
2018	2,814	\$ 21,472,350	\$ 7,631	1.74 %	\$ 22,940,511	\$ 8,152	4.72 %	216	13.0	84.0 %
2017	2,795	20,960,254	7,500	(1.84)	21,755,781	7,785	(8.36)	215	13.0	87.0
2016	2,562	19,578,964	7,641	8.59	21,768,583	8,495	6.26	212	12.1	86.4
2015	2,678	18,845,189	7,036	2.44	21,412,192	7,995	6.14	209	12.8	86.4
2014	2,676	18,376,758	6,868	(2.79)	20,153,399	7,533	(1.34)	209	12.8	86.4
2013	2,611	18,447,337	7,065	(0.29)	19,933,638	7,634	(4.27)	211	12.4	86.5
2012	2,572	18,225,549	7,086	(0.87)	20,511,798	7,975	(1.50)	197	13.1	80.4
2011	2,585	18,478,532	7,148	(0.91)	20,929,571	8,097	1.35	198	13.1	80.4
2010	2,595	18,720,865	7,214	(1.21)	20,730,397	7,989	7.86	184	14.1	84.6
2009	2,615	19,095,889	7,302	(0.31)	19,367,954	7,406	(7.84)	199	13.1	84.6

Source: The source of this information is the District's financial records.

Note: Operating expenditures are total expenditures less debt service and capital outlay.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
CAPITAL ASSETS INFORMATION
LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30									
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<u>Schools</u>										
<u>Elementary</u>										
Buildings	23	22	22	22	22	22	22	22	22	22
Square feet	213,443	198,315	198,315	186,821	186,821	186,821	186,821	186,821	186,821	186,821
Capacity	2,500	2,333	2,333	2,168	2,168	2,168	2,168	2,168	2,168	2,168
Enrollment	2,072	2,072	2,072	1,867	1,867	1,867	1,867	1,867	1,867	1,910
<u>Middle</u>										
Buildings	13	13	13	12	12	12	12	12	12	12
Square feet	100,291	100,291	100,291	100,039	100,039	100,039	100,039	100,039	100,039	100,039
Capacity	1,227	1,227	1,227	1,227	1,227	1,227	1,227	1,227	1,227	1,227
Enrollment	1,018	1,018	1,018	837	837	837	837	837	837	873
<u>Other</u>										
Buildings	7	6	6	6	6	6	6	6	5	5
Square feet	22,737	16,465	16,465	16,465	16,465	16,465	16,465	16,465	13,943	13,943
<u>Administrative</u>										
Buildings	1	1	1	1	1	1	1	1	1	1
Square feet	6,798	6,798	6,798	6,798	6,798	6,798	6,798	6,798	2,522	2,522
<u>Transportation</u>										
Garages	2	2	2	2	2	2	2	2	2	2
Buses	20	20	20	20	20	20	20	20	20	20
<u>Athletics</u>										
Football fields	1	1	1	1	1	1	1	1	1	1
Soccer fields	5	5	5	5	5	5	5	5	5	5
Baseball/softball	2	2	2	2	2	2	2	2	2	2
Playgrounds	4	4	4	4	4	4	4	4	4	4

Source: The source of this information is the District's facilities records.

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